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Japan

Reportage on Middle East Situation Continues

OPEC 29 Aug Decision Welcomed

OW2908213190 Tokyo KYODO in English 1508 GMT 29 Aug 90

[Text] Tokyo, Aug. 29 KYODO—Japan's oil industry welcomed Wednesday the decision by a majority of the 13-nation Organization of Petroleum Exporting Countries (OPEC) to raise crude oil output at an OPEC meeting earlier in the day.

"The stepped-up oil production will cover about three quarters of the shortage left by Iraq and Kuwait, and will thus ease the tight oil market," said a senior official of Tonen Corp., a domestic oil refiner. "The decision should lead to lower oil prices for the time being," he added.

Industry officials were quick to point out, however, that the oil market will remain volatile until the possibility of a military confrontation is completely removed.

In the medium term, crude prices should remain at about 25 dollars per barrel, up from OPEC's target price of 21 dollars.

Iraq and Kuwait together produce 4.6 million barrels a day, of which 4.2 million barrels are set aside for export purposes, according to estimates by the Petroleum Association of Japan.

Saudi Arabia is expected to boost production by two million barrels per day (BPD). This, coupled with increased production by some other members, will thus lift OPEC's total output by about three million BPD, industry sources said.

The tenuous balance of supply and demand should remain intact since oil-consuming countries will make up for the remaining shortfall by dipping into their reserves, they said.

Crude oil prices on the Tokyo spot market, which topped the 30 dollar-per-barrel level last week, have fallen 5-6 dollars, reflecting expectations of higher OPEC production, industry officials said. The benchmark Dubai crude price for October delivery closed the day at 25.30-25.40 dollars.

"The market should stabilize a bit and the wild price swings should subside now that OPEC has demonstrated its solidarity," said Koichi Hasegawa, a senior researcher with the Petroleum Association of Japan. "Attention will now turn to U.N. Secretary General Javier Perez de Cuellar's attempt to bring about a diplomatic solution to the Middle East standoff," he said.

The direction of oil prices hinges on the ability of the United States and Iraq to avoid a military conflict, industry officials said.

Japanese Government energy officials also hailed the OPEC action, saying it will help restrict price hikes on petroleum products planned by oil distributors to pass on higher crude costs.

But officials of the Natural Resources and Energy Agency cautioned that the OPEC accord to increase output is not a decision by a general meeting and that it is subject to nullification if a member not represented at the day's monitoring committee meeting in Vienna takes issue within the next 10 days.

It will take some more time before prices of crude and refined oil stabilize, the officials said.

Oil Price Talks Hit 'Snag'

OW2908221390 Tokyo KYODO in English 1228 GMT 29 Aug 90

[Text] Tokyo, Aug. 29 KYODO—Negotiations between Japanese oil importers and Iran have hit a snag because of Iran's adamant stand on pricing, oil industry sources said Wednesday. The sources said the Japanese companies have asked Iran to review a price increase agreed upon with Showa Shell Sekiyu K.K. for September-December delivery crude oil.

Some of the Japanese firms have moved to reduce their imports from Iran and to increase their purchases from other member countries of the Organization of Petroleum Exporting Countries, which have announced their decisions to increase oil production.

Saudi Arabia, which sets the pace for crude oil prices as one of the world's largest producers, told Japanese importers it will raise the price of crude it sells to Japan by 0.35 dollar per barrel for shipment in September.

Normally, the price of Iranian crude is expected to rise by the same margin. Iran, however, demanded a hike of 0.6 to 1.4 dollars per barrel after Japanese companies rushed to increase their imports from the country following an import ban imposed by Japan as part of its economic sanctions against Iraq, which has invaded and annexed neighboring Kuwait.

Showa Shell accepted Iran's proposal while other Japanese importers objected to the increment as unreasonably high. Both sides refused to back down in the two-week-old negotiations.

A Japanese oil refiner said Iran's demand is unreasonable in view of the fact that Japanese imports from Iran have surged to 700,000 barrels per day from 230,000-240,000 barrels in the past.

Crisis Opens 'Pandora's Box'

OW2908181690 Tokyo KYODO in English 1743 GMT 29 Aug 90

[By Jocelyn Ford]

[Text] Tokyo, Aug. 29 KYODO—Japanese Prime Minister Toshiki Kaifu's decision on Wednesday to help transport food and medicine to troops in the Persian Gulf region may appear to be a small step toward assisting the United States-led multinational forces there. But for Japan, it was a big step toward breaking through its psychological barrier against things military.

Since its defeat in World War II, Japan and its public have shunned the possibility of ever again engaging in international warfare. But the winding down of the Cold War, and Japan's growing economic power have brought to the surface debate over its responsibilities to international peacekeeping.

Iraq's August 2 invasion and subsequent annexation of Kuwait finally opened Pandora's box. For nearly a month now, the Japanese Government has been quietly debating how to meet its obligation to help defuse the Gulf crisis without violating its war-renouncing Constitution.

Faced with opposing requests by the United States—which has been seeking help in transporting troops and armaments to the Gulf area—and opposition parties—which have demanded that Japan avoid any military involvement—Prime Minister Kaifu delivered a compromise. Japan would make available civilian ships and airplanes, but would restrict the cargo to food, medicine, and other noncombat items.

It would also help pay for ships and planes chartered from other countries. The cargo on foreign-flag vessels would not be subject to Japanese inspections, and thus could presumably include armaments or troops. Moreover, the Japanese Government indicated it was keeping its options open.

Decisions against including members of the Self-Defense Forces (SDF) in its medical teams, and against carrying weapons on Japanese ships and planes were a matter of "policy," Deputy Chief Cabinet Secretary Nobuo Ishihara told reporters. Ishihara, who headed the interministerial team that compiled Japan's policy package, asserted there are no legal barriers to such actions.

Analysts predicted, however, that it could take years, even a decade, before Japan decides to thoroughly deal with such politically sensitive issues. "Japanese politicians are too timid to crack open such serious military questions," said Takeshi Sasaki, a political scientist at the University of Tokyo.

"We haven't had to handle this type of thing for 40 years, and politicians think that military problems are not part of their job."

On Monday, Liberal Democratic Party Secretary General Ichiro Ozawa boldly suggested that dispatching SDF personnel would not violate Japanese law. His comment was quickly brushed aside by Chief Cabinet Secretary Misoji Sakamoto, who said Ozawa was expressing his "personal opinion," and not the party position.

Kaifu was noncommittal Wednesday about an early convening of the Diet, or parliament, to discuss such knotty topics.

Analysts attributed Japan's apparent lack of urgency in responding to the crisis to its complacency after 40 years of peace under U.S. military protection, and weak historic ties to the Gulf area. Despite its 70 percent dependence on Middle East oil, Japan has reacted relatively coolly to the crisis, thanks in part to its 142-day stockpile of oil.

Japan imported around 12 percent of its oil from Iraq and Kuwait before joining comprehensive trade sanctions earlier this month. "For Japan to see change on its dispatch of military, it will take time," and perhaps a military crisis closer to home, says Mitsuru Uchida, professor of political science at Waseda University. "This is only the start of change."

Gulf Envoys Urge More Assistance

OW3008133890 Tokyo KYODO in English 1320 GMT 30 Aug 90

[Text] Tokyo, Aug. 30 KYODO—Ambassadors from Saudi Arabia, Kuwait, Oman, Qatar, and the United Arab Emirates called for Japan's cooperation in settling the Gulf crisis in a meeting Thursday with Ichiro Ozawa, secretary-general of the ruling Liberal Democratic Party, party officials said.

Saudi Arabian Ambassador Fawzi bin 'Abd al-Majid Shobokshi praised Japan's nonmilitary measures announced Wednesday to help resolve the Gulf crisis. He said the Gulf nations must win the unconditional withdrawal of Iraqi troops from Kuwait and the release of foreign hostages held in Iraq and Kuwait in cooperation with Japan, the officials said.

Kuwaiti Ambassador 'Abd al-'Aziz al-Sharikh was quoted as saying he hopes Japan will draw up a second package of assistance.

Calling Iraq's action unjustifiable, Ozawa pledged that the Japanese Government and ruling party will strive for resolution of the Gulf crisis, the officials said.

International Fund Proposed

OW3008080590 Tokyo KYODO in English 0553 GMT 30 Aug 90

[Text] Tokyo, Aug. 30 KYODO—The Japanese Government has proposed the establishment of an international fund to help Middle Eastern nations hard hit by the crisis in the Persian Gulf, government sources said Thursday.

Unofficial multilateral negotiations have started among Japan, the United States and other countries on helping such nations as Turkey, Egypt, and Jordan.

If the crisis continues for a considerable period, aid from Japan alone will not be enough for the nations suffering from side effects of the United Nations-imposed sanctions imposed against Iraq, according to the sources. Japan has not said how much it would contribute to the fund.

The government modeled its proposal on the international cooperative body set up last year to aid economic reform in Eastern Europe, they added. One difference between the two efforts, however, is that members of the Eastern European aid body have offered assistance on their own, rather than pooling their resources in an international aid fund of the kind Japan is proposing for the Middle East, they said.

Quick Reply to U.S. Ruled Out

OW3008142790 Tokyo KYODO in English 1413 GMT 30 Aug 90

[Text] Tokyo, Aug. 30 KYODO—Japan's top government spokesman Thursday ruled out a quick response to a reported U.S. proposal that it contribute to a 23.2 billion dollar fund to assist countries suffering economically from the Persian Gulf crisis and to pay expenses for U.S. forces in the region.

On Wednesday, Prime Minister Toshiki Kaifu outlined a package of measures to assist the Gulf effort, including aid to nations in economic distress and nonmilitary assistance to the U.S.-led multilateral forces.

Commenting on the reported U.S. funding proposal, Chief Cabinet Secretary Misoji Sakamoto said Japan would not be able to give an immediate response even if a formal request was made.

The U.S. plan, reported in Washington on Wednesday, calls on Japan, other allies and Arab nations to share in the cost of the fund. Japan would provide 1.3 billion dollars in economic aid as well as 60 million dollars monthly toward maintaining U.S. forces in the Middle East.

Sakamoto also said no decision had been made on the amount of economic aid promised in the Kaifu plan. But sources at the Foreign Ministry indicated a U.S. request would be considered, though they cautioned that a direct contribution solely to U.S. troops might run afoul of constitutional restrictions.

Several government officials have suggested a boost in Japanese support for U.S. soldiers stationed in Japan as an indirect method of supporting Washington's troop presence in the Gulf.

JSP on Constitutional Revision

OW3008150990 Tokyo KYODO in English 1420 GMT 30 Aug 90

[Text] Tokyo, Aug. 30 KYODO—The Japan Socialist Party expressed caution Thursday over growing calls within the ruling Liberal Democratic Party for constitutional revision to allow the Self-Defense Forces to be dispatched overseas.

The No. 1 opposition party said in a statement approved at a meeting of Central Executive Committee members that the party must be very wary of any LDP move for constitutional revision in the wake of Japan's announcement concerning its intended contribution to the solution of the Gulf crisis.

"The government has stated that it intends to revise laws and introduce a new law to make military cooperation with the United Nations easier," the statement said. "(Those moves) are intended to revise the Constitution at one stroke," it said.

On Wednesday, the government announced a package of measures as part of Japan's contribution to resolving the Gulf crisis which includes providing civilian planes and ships and funds to the U.S.-led multinational force and dispatching a medical team.

Prime Minister Toshiki Kaifu proposed enacting a "United Nations Peace Cooperation Law" to allow Japan more flexibility in fulfilling its responsibility in global peace efforts. Kaifu stopped short of revealing his plans on revising the Self-Defense Forces Law, but said he will discuss the matter with regard for what is permitted under the Constitution.

The JSP also called on the government to convene a special Diet session immediately to discuss the government package.

Detainees in Baghdad Interviewed

OW3008144190 Tokyo NHK General Television Network in Japanese 1243 GMT 30 Aug 90

[Video report via satellite on interviews with Japanese women detained at the al-Mansour Melia Hotel in Baghdad by NHK reporter Masahiko Asahina; from the "NHK News 21" program]

[Text] Here is the latest news from Baghdad: It has been disclosed that, among 213 Japanese placed under house arrest at the al-Mansour Melia Hotel in Baghdad, almost all Japanese males have been taken to Iraqi oil or military facilities. As we have just reported, this was disclosed through interviews with Japanese females by an NHK news team who entered the al-Mansour Melia Hotel today. We have just received the videos on interviews, together with a report by reporter Asahina via satellite.

[Begin Asahina recording] This is the al-Mansour Melia Hotel in Baghdad. The so-called hostages, including Japanese and other foreigners who have been moved from Kuwait, have been placed under house arrest at this hotel. Today, we are finally able to meet females and children who are being allowed to leave the country.

[Begin interview with unidentified Japanese women]

[First woman] Since we would be virtually separated from each other, we said goodbye in tears.

[Unidentified reporter] Have you left your luggage there?

[First woman] No, I have my own luggage with me, and my husband has kept his luggage.

[Reporter, interrupting] I see.

[Second Japanese woman] We were taken to a place about 300 kilometers north of here.... It took us about three hours to get there by bus. I heard that it is about 260 kilometers from here to the Turkish border. We were taken to an oil base there. We were put in a place, something like bungalows which have not been used for two years. The Iraqi people did their best for us. However, since we passed each day without knowing what would happen in the future, we were apprehensive.

[Unidentified reporter] When you were separated, your husband had to stay there?

[Second woman] That's right.

[Unidentified reporter] What did he say as his final words?

[Second woman] He said that he would be all right, and he said that he hoped that I would get home earlier.

[Third Japanese woman] We were told that only females and children should pack, and we were brought back here last night. Therefore, we have been separated from our husbands.

[Unidentified reporter] Where is your husband now?

[Third Japanese woman] Well, I don't know the exact location. We were taken to a place, probably 30 to 40 kilometers east of Baghdad. I think it is probably a military facility.

[First Japanese woman] Every time government officials say something, no improvement has been made in our treatment here. This is the actual situation here. What all of us people here ask is that no more unnecessary remarks are made. Since we have left our husbands here, we hope that we shall be left alone until our husbands return in safety and our family members get back to Japan safely. These are our true feelings.

[Reporter Asahina] The Japanese women are all concerned for the men who will have to stay here, and they answered our questions while choosing words cautiously.

'143' Men Held at Iraqi Facilities

OW3008160190 Tokyo KYODO in English 1548 GMT 30 Aug 90

[Text] Tokyo, Aug. 30 KYODO—There are 143 Japanese men being held at Iraqi military facilities, Japanese women and children who met reporters at a Baghdad hotel said Thursday.

Kiyoko Ikeda, 37, told the press that there are now only 70 Japanese, including two men and 40 women, at the al-Mansour Melia Hotel in Baghdad, where about 200 Japanese who evacuated Iraqi-occupied Kuwait on August 23 were originally detained.

Ikeda said all the Japanese at the hotel, except 15 single women, and two men who were ill, were taken to military facilities, power plants, airport and oil facilities across the nation on August 25 and 26. But 53 women and children were returned to the hotel on Wednesday evening, and notified they were to be released, she said.

On Thursday, for the first time, Japanese Ambassador to Iraq Kunio Katakura was permitted, along with reporters, to meet the Japanese nationals confined at the hotel.

The envoy, who had submitted a list of women and children wishing to leave the country, was summoned to the Iraqi Foreign Ministry the same day and was instructed to go to the hotel "in order to prepare immigration procedures for the names on the list," according to the embassy in Baghdad.

All 68 Japanese women and children at the hotel have expressed their wish to return to Japan, Foreign Ministry officials said.

In Baghdad, the Iraqi Government, which is reported to be preparing the release of some Western women and children, on Wednesday returned them to Baghdad from their places of confinement at government facilities across the nation.

Reporters were allowed to enter the Al-Mansour Melia Hotel to meet the Western nationals. Iraqi officials and British diplomats said they will leave Iraq over the weekend.

Women, Children To Leave Iraq

OW3108031490 Tokyo KYODO in English 0256 GMT 31 Aug 90

[Text] Baghdad, Aug. 31 KYODO—The Iraqi Government will evacuate 68 Japanese women and children now confined at a hotel in Baghdad on a special chartered Iraqi Airways flight, Japanese Ambassador to Iraq Kunio Katakura said Friday.

When and where the chartered flight will leave Baghdad is not immediately known, Katakura said. However, the Iraqi Foreign Ministry officials told the Japanese envoy the plane will carry the Japanese group to either Amman, London, or Paris.

Further on Proposed Evacuation

OW3108065190 Tokyo KYODO in English 0631 GMT 31 Aug 90

[Text] Baghdad, Aug. 31 KYODO—The Iraqi Government proposed on Friday to evacuate 68 Japanese women and children now confined at a hotel in Baghdad, on a special chartered Iraqi Airways flight, Japanese Ambassador to Iraq Kunio Katakura said.

Katakura said the proposal was made when he met Iraqi Foreign Ministry officials on Friday.

But when the Japanese group at the al-Mansour Melia Hotel can leave the country is not known because it will take time for them to obtain their visas for departure, officials at the embassy said.

According to Iraq's proposal, the chartered plane will carry a group of the 68 Japanese women and children from Baghdad to Amman, London or Paris.

The embassy officials said they also will call for the Iraq Government to let two more Japanese men at the hotel to leave the country, one of whom is suffering from heart disease and the other hopes to accompany his wife who is having a baby.

The embassy has secured seats of a Iraqi Airways flight bound for Amman on Friday for about 80 Japanese nationals, taking into consideration that 68 or more might be permitted to leave the country within the day, the officials said.

Katakura, who met the Japanese nationals at the al-Mansour Melia Hotel for the first time Thursday, said that there are now 70 Japanese, including two men and 40 women, at the hotel. There were initially about 200 Japanese, who evacuated Iraqi-occupied Kuwait on August 23.

Embassy officials said there are 143 Japanese men being held at Iraqi military facilities, power plants, airport and oil facilities across the nation, after being taken by Iraqi authorities from the hotel on August 25 and 26.

Describing the 68 women and children as very well, Katakura said many people have diarrhea, caused by the stress.

Sakamoto Calls Detainees Hostages

OW3108050290 Tokyo KYODO in English 0449 GMT 31 Aug 90

[Text] Tokyo, Aug. 31 KYODO—Chief Cabinet Secretary Misoji Sakamoto called Japanese detainees in Iraq "hostages" for the first time Friday, but said their situation would not affect Prime Minister Toshiki Kaifu's proposed October visit to the Middle East.

Hailing United Nations Secretary General Javier Perez de Cuellar's plan to meet Iraqi Foreign Minister Tariq 'Aziz in Jordan Friday as "an important first step" in resolving the Gulf crisis, Sakamoto said Japan now has no choice but to regard its nationals as hostages.

"The whereabouts and safety of the Japanese is unknown, so we have no choice but to say they are being treated like hostages," Sakamoto said.

On Thursday a Japanese woman detained in a Baghdad hotel told Japanese reporters that some 143 men were removed to Iraqi military and industrial facilities on August 25 and 26. Iraqi authorities have not so far confirmed the information.

Sakamoto said Japan strongly supports Perez de Cuellar's efforts, and hopes they will lead to the release of the hostages. But he said even if the hostage situation continues through October, it would not be reason to further postpone Kaifu's plans to visit five Middle Eastern nations.

Earlier in the day a source close to the prime minister suggested Kaifu may further postpone the trip, originally slated for mid- August, if Iraq is still holding Japanese hostages in October.

Sakamoto gave a cool reception to U.S. President George Bush's call for burden sharing in the Middle East. Japan is not thinking only of American wishes, Sakamoto said when asked for a response to Bush's request Thursday for Japan and other nations to bear "their fair share" of the cost of multinational forces dispatched to the Persian Gulf.

Japan is heeding United Nations resolutions, and intends to offer as much assistance to the region as possible, within the limits of its war-renouncing Constitution, he said. On Thursday Japan announced it was providing 1 billion dollars to assist the multinational forces, which it said was the maximum amount available from the current budget, which expires next March.

Meanwhile, Defense Agency Director General Yozo Ishikawa said he believes Japanese law permits the sending of Japan Self-Defense Forces (SDF) personnel to the Persian Gulf.

Ishikawa, speaking before the Cabinet Committee, a standing committee of the House of Representatives, said that Japan should determine under what circumstances SDF personnel could be sent overseas under existing laws. "How long will our (reluctance to dispatch forces) be accepted given our international status?" Ishikawa asked in calling for full debate in the nation's parliament.

Iraq's August 2 invasion of Kuwait has forced open a debate on the interpretation of Japan's post-war Constitution, which says that the Japanese "forever renounce war as a soverign right of the nation" and the use of force to settle international disputes.

Deputy Chief Cabinet Secretary Nobuo Ishihara said Wednesday the government has not considered sending SDF doctors to the Gulf, but added that such a move would be legally permissible. He also said legislation needs to be passed that will allow Japan more latitude to respond in emergencies.

Ishikawa indicated that he supports boosting Japan's share of funding for U.S. forces stationed in Japan, but said that providing additional money should not be linked to the Gulf crisis. He also called for the enactment of a law to deal with national emergencies.

Constitution Said To Allow Aid

OW3108100090 Tokyo KYODO in English 0943 GMT 31 Aug 90

[Text] Tokyo, Aug. 31 KYODO—Japan's war-renouncing Constitution allows it to help pay for the deployment of U.S. forces in the Persian Gulf, Chief Cabinet Secretary Misoji Sakamoto said Friday.

The United States military is acting in accordance with a United Nations resolution condemning Iraq's invasion and annexation of Kuwait, Sakamoto told a regularly scheduled news conference.

Asked whether it is legally permissible for Japan to meet a U.S. request to share part of the costs of the military action, the top cabinet spokesman said, "I think this poses no problem with our Constitution." The post-war Constitution, drawn up under the guidance of U.S. occupation forces, bans use of force in resolving international conflicts.

On Thursday, Japan announced it would provide 1 billion dollars worth of assistance to the U.S.-led multinational forces, but this was the first comment on funding for military activity that is not characterized as "multinational."

Japan has not yet received an official request to help pay for the U.S. deployment, estimated to cost 2.5 billion dollars for the first two months. The WASHINGTON POST reported Wednesday that the U.S. would like Japan to spend 60 million dollars per month to support U.S. forces in the Middle East.

Sakamoto reiterated that Japan is not able to dispatch its Self- Defense Forces. "It is clear that Japan will not provide soldiers, and (U.S.) President (George) Bush is sufficiently aware of this," he said.

Watanabe Comments on Brady Visit

OW3108124090 Tokyo KYODO in English 1225 GMT 31 Aug 90

[Text] Tokyo, Aug. 31 KYODO—The visit here next week by U.S. Treasury Secretary Nicholas Brady will not in the immediate term lead Japan to exceed its pledge of 1 billion U.S. dollars in financial, material, and logistical support for multinational forces in the Persian Gulf, a Foreign Ministry spokesman said Friday.

"We are not at the moment considering a change in this total figure," said Taizo Watanabe in a meeting with reporters. "But Japan would be only too happy to exchange views with the U.S. to identify the most appropriate things Japan can do."

U.S. diplomatic sources in Tokyo said earlier Friday that Brady is expected to visit Tokyo toward the end of next week.

Brady and U.S. Secretary of State James Baker will make the rounds of allied countries to drum up what President George Bush has called a "fair share" of support for the Persian Gulf operation, which will cost the United States upward of 15 billion dollars during the first year by one estimate.

Japan announced Thursday that it will extend 1 billion dollars worth of cooperation to the U.S.-led multinational forces.

No figure has yet been set for a separate Japanese financial assistance package for Middle Eastern countries seriously affected by the United Nations sanctions against Iraq and for evacuation relief operations, other than Japan's pledge Wednesday to extend more than 10 million dollars in evacuee relief aid to Jordan.

Watanabe said that in arriving at that figure, Japan intends to closely consult with the United States as to "how much money could be dispersed to what countries in the region and in what way."

'Majority' Against SDF Deployment

OW3108120190 Tokyo KYODO in English 1123 GMT 31 Aug 90

[Text] Tokyo, Aug. 31, KYODO—The vast majority of Japanese are opposed to sending Japanese combat troops to the Persian Gulf area, but one in three support some level of participation by the Self-Defense Forces [SDF], according to a poll by the Tokyo Broadcasting System released Friday.

Seventy-eight percent of respondents said Japan should not follow the United States and other Western countries in sending combat personnel to the Persian Gulf area in response to Iraq's invasion of Kuwait. However, 18 percent of those opposed said they would support the dispatch of noncombat SDF personnel, according to the telephone poll of 1,000 people held Thursday.

Together with the 14 percent of people who advocated sending armed troops, 28 percent would accept some form of participation by the SDF.

The poll showed Prime Minister Toshiki Kaifu enjoys strong support for his six-point package announced Wednesday. Kaifu offered aid to multinational forces in the Gulf, and economic assistance to Middle Eastern countries hit hard by the crisis.

Sixty-four percent of people said they supported the package, with 17 percent opposed, and 19 percent undecided. The main reason cited by those who objected to the package said they disagreed with providing assistance to the U.S.-led military operation.

Kaifu said Thursday Japan will spend 1 billion dollars to help transport supplies to the Middle East on behalf of the multinational troops. On Wednesday, Kaifu announced that Japan will also provide noncombat materials, and send medical teams. But he ruled out participation by the SDF.

A majority of people are critical of the government's timing of its announcement of Japan's Persian Gulf measures.

Asked whether the timing was prudent, given the uncertain situation of some 400 Japanese hostages, 41 percent said the announcement was too tardy, while 25 percent said it was made too early. Thirty-four percent did not respond. A vast majority, 84 percent, said they are opposed to a U.S. military attack on Iraq if it poses a risk to thousands of hostages there.

Government Submits Farm Trade Package to GATT

OW2808135990 Tokyo KYODO in English 1222 GMT 28 Aug 90

[Text] Tokyo, Aug. 28 KYODO—The Government said Tuesday it has submitted a package of farm trade reform proposals to a group of world trade negotiators in Geneva calling for recognition of import curbs on staple foods such as rice.

The Japanese package was formally put to the negotiators when they gathered again after a monthlong break to resume talks aimed at toughening rules for freer world farm trade. The package was designed to defuse mounting pressures from foreign countries that Japan open up its rice market, government sources said.

Among other things, Japan urges that national staples such as rice be listed among exceptions to rules stipulated in Article 21 of the General Agreement on Tariffs and Trade (GATT).

Stressing the idea of "food security," Japan has persisted in maintaining import restraints on rice so as to prevent the country from becoming dependent on foreign sources of supply.

The nation is also seeking a thorough review of GATT Article 11, which authorizes imposition of import quotas as exceptions to free trade rules, in a bid to bring the article more into line with farm trade realities.

The Japanese delegation to the GATT group meeting has also pressed for a clear-cut definition of a paragraph in Article 20, which is aimed at the preservation of "natural resources," so as to prevent broad interpretation of the article, the sources said.

At the three-day group session ending Wednesday, the European Community, the United States, and Japan, as well as other leading farm traders, are focusing their discussion on how to follow up a decision made at the last session that countries should submit by October 15 detailed lists of their domestic support measures for farmers and barriers to foreign farm produce, as well as assessments of their value and export subsidy outlays.

Firm To Buy U.S. Audio Equipment Manufacturer

OW2808104390 Tokyo KYODO in English 0733 GMT 28 Aug 90

[Text] Tokyo, Aug. 28 KYODO—Clarion Co. said Tuesday its wholly owned U.S. subsidiary has agreed to purchase Mcintosh Laboratory Inc., a maker of state-of-the-art audio equipment in the United States.

Clarion Shoji Co. Ltd. USA decided to purchase Mcintosh Laboratory, to obtain the audio maker's high grade car stereo and audio technology, and its famous brand name, a company spokesman said. The company would not release details on the takeover deal at this time, the spokesman said.

Mcintosh Laboratory is the No.1 U.S. audio equipment manufacturer well known for its high quality power amplifiers, pre-amplifers, tuners, and compact disk players. The electronics maker had pretax profits of 2.57 million dollars on sales of about 16.8 million dollars in 1989.

Joint Aircraft Leasing Firm To Be Established

OW2808200590 Tokyo KYODO in English 1426 GMT 28 Aug 90

[Text] Tokyo, Aug. 28 KYODO—Nichimen Corp. announced Tuesday it will establish an aircraft leasing company by the end of September in a joint project with two major Japanese banks and three European and U.S. firms. The joint venture, Gatx CL Air, will lease its own planes to airlines, a practice known as an operating lease.

Nichimen, a major Japanese general trading company, said operating leases are more profitable than other leasing arrangements designed primarily to finance aircraft purchases by airlines. According to industry sources, about 17 percent of some 8,300 passenger planes now in service worldwide are held under operating leases.

The joint venture plans to hold a total 26 aircraft, including 20 Airbus A320s, and will base its sales activity in Paris to make inroads into the American and European markets.

Nichimen, Sanwa Bank and Mitsubishi Bank will each own 10 percent of the new company, which will be capitalized at 200 million dollars. Gatx capital of the U.S. and Credit Lyonnais of France will each hold a 30 percent stake, with the remaining 10 percent to be owned by U.S. financial and insurance firms, Nichimen officials said.

The company's headquarters will be located in the Dutch Antilles, they said.

Company Plans European Production With Philips

OW2808130890 Tokyo KYODO in English 0835 GMT 28 Aug 90

[Text] Osaka, Aug. 28 KYODO—Matsushita Battery Industrial Co. said Tuesday it will produce nickel-cadmium [nicad] batteries together with Philips, probably starting in 1992. The two companies established Philips Matsushita Battery Co. in 1970 in Belgium to produce traditional types of batteries, mainly to supply Panasonic and Philips brand products.

In the new project, Philips proposed the joint production of nicad batteries. The rechargeable storage batteries are in increasing demand for cordless appliances and personal computers.

Philips will provide money while Matsushita Battery will provide technology, Matsushita Battery officials said. A plant will be built for the project, probably in Belgium before the planned market integration of the European Community in 1992, they said.

Matsushita Battery is also sounding out possibilities of nicad battery production in the United States, they added.

Soviet Envoy on Foundation for Friendly Ties

OW2808063990 Tokyo KYODO in English 0555 GMT 28 Aug 90

[Text] Tokyo, Aug. 28 KYODO—Newly appointed Soviet Ambassador Lyudvig Chizhov on Tuesday pledged to cooperate with Japan in moving bilateral relations onto a sounder footing, Foreign Ministry officials said. Chizhov, who arrived in Japan on Monday, made the promise in a 20-minute meeting with Vice Foreign Minister Takakazu Kuriyama, officials said.

The Soviet envoy was quoted as expressing a view that the foundation for friendly bilateral ties will be set by the visits to Japan of Soviet Foreign Minister Eduard Shevardnadze on September 5-7 and Soviet President Mikhail Gorbachev sometime next year.

Kuriyama, in reply, told Chizhov that he has come to Japan at a "major turning point" in Japan-Soviet relations, in which dialogue and other efforts are proceeding at a vigorous pace.

The two countries' relations have been expanding under Gorbachev's policy of "new thinking," political analysts said. But a nagging territorial dispute over a group of Soviet-occupied islands off Japan's northernmost main island of Hokkaido poses a major obstacle to full-scale normalization of ties.

Chizhov, 53, has over 30 years of diplomatic experience, some 16 of which he spent as a diplomat at the Soviet Embassy in Tokyo. Fluent in Japanese, Chizhov until recently served as chief of the Soviet Foreign Ministry's Pacific and Southeast Asia Department. The post has since gone to Aleksandr Panov, 46, another leading Soviet Japanologist.

Chizhov is replacing Nikolay Solovyev, who is expected to be appointed in the near future as Soviet ambassador to China.

Soviet Frontier Guard Proposal Not Yet Received

OW 2808131290 Tokyo KYODO in English 0930 GMT 28 Aug 90

[Text] Tokyo, Aug. 28 KYODO—Japan has yet to receive a Soviet proposal for talks between the two countries' frontier guard services in the area of four Soviet-occupied islands claimed by Japan, Foreign Ministry officials said Tuesday. The officials were commenting on a proposal reportedly made by KGB Chairman Vladimir Kryuchkov in an interview with the Soviet newspaper TRUD, which was described last Saturday in a dispatch from the official Soviet news agency TASS.

Kryuchkov was quoted as saying that Moscow will soon suggest a new initiative for bilateral talks "in the South Kuril Zone." The proposed talks, he said, would take place between the deputy heads of the frontier guards of the USSR State Security Committee and the "Japanese Naval Security Department," according to the Soviet news agency.

The reference was believed to be to Japan's Maritime Safety Agency (MSA), which is responsible for the policing of Japan's territorial waters.

The Soviet Union holds that the disputed islands, seized from Japan at the close of World War II, comprise the southern portion of the Kuril Archipelago. But Japan insists the disputed territories off its northernmost main island of Hokkaido are not part of the "Kurils" it signed away in the 1951 San Francisco Peace Treaty, which were themselves never consigned to the Soviet Union.

Kryuchkov reportedly said the purpose of the meeting would be to discuss the creation of a channel of communication between the two services so that border problems such as illegal fishing can be promptly settled.

A senior Foreign Ministry official, who spoke on condition of anonymity, said Japan would have to carefully study the Soviet proposal to see "what their intentions are." He said that if the Soviets are proposing one of the occupied Japanese islands as the site for the talks, the proposal would face a "difficult legal problem" in Japan.

An MSA official, who also spoke on condition of anonymity, noted that Moscow made a similar proposal at a meeting of frontier guard officials of the two countries in Moscow in October 1989. Japan merely listened to the proposal and has not responded to it, he said.

Ministry Seeks To Support USSR's Perestroyka

OW2808195590 Tokyo KYODO in English 1255 GMT 28 Aug 90

[Text] Tokyo, Aug. 28 KYODO—The Foreign Ministry on Tuesday announced a 580 billion yen budget proposal for fiscal 1991 that includes a request for some 150 million yen to support perestroyka in the Soviet Union and promote youth exchanges with that country. This is the first time that the Foreign Ministry has included in its annual budget proposal a request for money aimed at the Soviet Union. Postwar ties between the two countries have suffered from East-West antagonism and a territorial dispute.

Officials said the money would go toward a plan for sending Japanese experts to the Soviet Union to provide "intellectual assistance" and to invite Soviet youths to visit Japan. The request was included in the ministry's proposal for some 2 billion yen to allow Japan to respond to the changes that have swept the Soviet Union and Eastern Europe, the officials said.

The ministry's budget request of 580.2 billion yen for the coming fiscal year is an 8.7 increase over the current 533.9 billion yen budget. Japan's fiscal year begins in April. Some 455.3 billion yen was requested for official development assistance (ODA), a 9.7 percent rise over the 415.1 billion yen for the current fiscal year. Grant aid is to be increased from the current 201.1 billion yen to 214.8 billion yen. The Foreign Ministry's ODA budget in the current fiscal year accounted for roughly half of Japan's total ODA budget of 817.5 billion yen.

So that Japan can better deal with problems that confront humanity as a whole, such as environmental depredation and drug abuse, the ministry requested an increase for that category from the current 2.1 billion yen to 4.6 billion yen.

One official said the Foreign Ministry plans to open talks with Moscow in the near future on the prospect of inviting Soviet youths to Japan as part of a project aimed at enhancing mutual understanding between the two countries.

He noted that Shintaro Abe, a key political figure in the ruling Liberal Democratic Party (LDP), proposed in a meeting with Soviet President Mikhail Gorbachev last January that Japan welcome 1,000 Soviet youths over a period of three years. An LDP spokesman said last Wednesday that 200 young men and women would be invited to Japan from September 10-21, another 500 in 1991, and 300 in 1992.

'Unprecedented' Effort To Save Soviet Boy Noted

OW2808044790 Tokyo KYODO in English 0116 GMT 28 Aug 90

[Text] Sapporo, Aug. 28 KYODO—A 3-year-old Soviet boy with burns to over 90 percent of his body arrived Tuesday at Sapporo Medical College for special treatment in an unprecedented Japanese-Soviet rescue effort.

Konstantin Igorovich Skoropyshniy and his father Igor, 26, were flown in from Yuzhno-Sakhalinsk early Tuesday morning, after an appeal Monday from Sakhalin official V.P. Fedorov to Hokkaido Gov. Takahiro Yokomichi.

Japan's Maritime Safety Agency dispatched a special flight with four doctors aboard to the capital of the Soviet island to take delivery of the boy and his father, officials said. It was the first time a Maritime Safety Agency team had crossed a national border to assist in an emergency situation.

Soviet doctors reported the child was in a very critical condition and could only survive for another 70 hours when they made the request for Japanese assistance to save the boy's life.

The urgent request was sent via facsimile from Fedorov's office to Yokomichi, who contacted the Japanese Foreign Ministry and Justice Ministry to have the necessary documents prepared for the patient's entry into Japan.

The boy had apparently been doused with boiling hot water on August 25 that had burned more than 90 percent of his body. Doctors at a hospital in Yuzhno-Sakhalinsk kept the child in a germ-free sterilized room, but fearing for the boy's life, requested the boy be transferred to a Japanese hospital, officials said.

Humanitarian Grounds Stressed

OW2808064190 Tokyo KYODO in English 0534 GMT 28 Aug 90

[Text] Sapporo, Aug. 28 KYODO—A 3-year-old Soviet boy burn victim remained in critical condition after he was taken to a Japanese hospital for treatment in an unprecedented Japan-Soviet emergency rescue.

Doctors at Sapporo Medical College described the chances of survival of Konstantin I. Skoropyshniy of Soviet Sakhalin, north of Hokkaido, as "fifty-fifty." The boy was trapped accidentally in boiling water at home in Yuzhno-Sakhalinsk on August 20, suffering burns to more than 80 (cq) percent of his body.

He is slightly anemic, and has been infected by a virus which may cause blood poisoning, doctors said in a press conference. The boy is in an intensive care unit.

He was airlifted to Sapporo by a Japanese Maritime Safety Agency (MSA) YS-11 aircraft sent to Sakhalin. Four Japanese doctors and other related officials were on the flight early Tuesday. It was the first time an MSA aircraft crossed the border to transport an emergency patient, MSA officials said. The Japanese Government dropped regular diplomatic procedures, including visa issuance.

The boy's father, Igor E. Skoropyshniy, 26, said at the hospital he appreciates Japan's humanitarian effort, and he hopes for the recovery of his son.

The boy received emergency care at a hospital in Yuzhno-Sakhalinsk, but on Monday Sakhalin Governor V.P. Fedorov asked Hokkaido Governor Takahiro Yokomichi for the airlift and treatment. The two have friendly relations, Hokkaido officials said.

The MSA aircraft left Chitose Airport before dawn Tuesday to fetch the boy, and flew 400 kilometers back from Yuzhno-Sakhalinsk to arrive at Sapporo shortly before 9 A.M. The boy was then taken to the medical college's hospital annex by helicopter.

In Tokyo, Foreign Minister Taro Nakayama, who ordered the airlift, said he made a quick response to the Soviet offer on humanitarian grounds. Asked if the case would become a precedent for emergency treatment, Nakayama said if the situation is extremely urgent Japan should respond accordingly.

Government spokesman Misoji Sakamoto also attributed Japan's unusually swift response to humanitarian concern. "This is a humanitarian problem in a neighboring country. We responded rapidly to the Soviet request, and will do our best to treat the boy," the chief cabinet secretary told a news conference.

Foreign Ministry Sources on Shevardnadze Visit

OW3008150690 Tokyo KYODO in English 1447 GMT 30 Aug 90

[Text] Tokyo, Aug. 30 KYODO—Soviet Foreign Minister Eduard Shevardnadze is coming to Japan next week, probably equipped with wide-ranging proposals on expanded bilateral relations in an attempt to lay the groundwork for a successful Tokyo visit by President Mikhail Gorbachev next year.

Foreign Ministry sources said Shevardnadze, due to arrive next Tuesday, a day earlier than originally planned, will hold three rounds of regular talks with Foreign Minister Taro Nakayama on Wednesday and Thursday, and meet with Prime Minister Toshiki Kaifu on Thursday.

The talks will address international issues and ways to develop bilateral ties and seek progress toward resolving the pending territorial dispute over a group of islands lying off Japan's northernmost main island of Hokkaido.

A joint press release will be issued at the end of the talks, the sources said.

The two foreign ministers are expected to discuss matters of international concern, including the Middle East crisis resulting from Iraq's invasion of Kuwait, security in the Asia-Pacific region, the situation in the Korean peninsula, and peaceful settlement of the Cambodian conflict.

On the Gulf crisis, they will confirm cooperation for the peace- restoring efforts by the United Nations and discuss Soviet arbitration efforts in the region, the sources said.

Shevardnadze is expected to present a package of stepped-up bilateral exchanges including contacts with Japanese governmental agencies other than the Foreign Ministry, such as the Ministry of International Trade and Industry (MITI), the Health and Welfare Ministry, the Education Ministry, and the Science and Technology Agency.

He is also expected to propose expanded economic relations through conclusion of an agreement to set up joint ventures and the mutual opening of bank branches. Establishment of cultural centers in each other's country will also be pursued.

The two countries also intend to formalize an agreement on the extension of medical cooperation to help victims of the 1986 Chernobyl nuclear plant accident.

By discussing a wide range of topics now, both sides are aiming at producing official agreement on expanded bilateral cooperation by the time Gorbachev comes here as the first Soviet leader ever to visit Japan.

Japan is withholding full-fledged economic cooperation with the Soviet Union until settlement is reached on the disputed islands, seized by Soviet troops near the end of World War II.

Shevardnadze is scheduled to visit China for a meeting with his Chinese counterpart Qian Qichen in Harbin on Saturday, then visit North Korea Sunday through Monday and attend the opening of an Asia-Pacific security forum in the Soviet Far East port city of Vladivostok on Tuesday.

Labor Ministry Seeks Funds for Hungary, Poland

OW2908045290 Tokyo KYODO in English 0247 GMT 29 Aug 90

[Text] Tokyo, Aug. 29 KYODO—The Labor Ministry decided on Wednesday to ask the Finance Ministry to allocate funds in the fiscal 1991 budget to help Hungary and Poland in promoting labor policies, ministry officials said.

The officials said they will ask for 110.61 million yen for Hungary and Poland to help adjust personnel, employment, and labor management policies from central government planning to market-oriented economics. The labor-related budget request for the two East European nations is the first such move by the ministry, the officials said.

The officials said Japan will extend the aid through the International Labor Organization (ILO) to Poland and Hungary. Both countries are proceeding with economic reforms.

The ministry will also ask for 1.25 billion yen for a foreign trainee program. A total of 13.87 billion yen will be sought by the Ministry for international labor assistance. The ministry's overall budget request for the next fiscal year from April will be 5,444,979 million yen, up 5.7 percent from this fiscal year.

The ministry also wants to increase the number of trainees in Japan from 12 developing countries from 250 to 1,000. The 12 countries are Thailand, Bangladesh, India, China, Indonesia, the Philippines, Malaysia, Pakistan, Mexico, Brazil, Peru, and Paraguay.

LDP Member Wants Officials To Visit DPRK

OW2808200790 Tokyo KYODO in English 1315 GMT 28 Aug 90

[Text] Tokyo, Aug. 28 KYODO—A high-ranking Liberal Democratic Party (LDP) official said Tuesday he hopes government officials will be able to join senior LDP leader Shin Kanemaru if he leads an LDP mission to Pyongyang late September or early October.

Hajime Ishii, acting chairman of the ruling party's research commission on foreign affairs who will head a three-member LDP working-level mission to North Korea in early September, made the remark in a meeting with reporters after consulting with government and Japan Socialist Party (JSP) officials. Ishii said it is very important for the LDP advance delegation to discuss the possibility of including government officials in Kanemaru's mission during the upcoming planning sessions with North Korean Workers' Party officials.

But JSP senior member Taneaki Tanami, who also attended the press conference, quoted North Korean party officials as saying that they want to hold interparty talks before coming face to face with Japanese Government officials. Tanami visited Pyongyang August 16 to 23 to discuss bilateral relations with North Korean party officials.

Ishii also reiterated his belief that the fate of two Japanese seamen being held by North Korea on charges of espionage should not be ignored when the LDP decides whether to send Kanemaru to Pyongyang.

Kanemaru, former deputy prime minister and a leader of the LDP's largest faction, is scheduled to visit North Korea late September early October at the invitation of the North Korean Workers' Party. A JSP mission led by Vice Chairman Makoto Tanabe is also scheduled to visit Pyongyang at the same time.

The LDP-JSP working-level delegations will leave Japan for North Korea on September 3 to pave the way for Kanemaru's visit. They will return home on September 7.

Korean Veterans Petition Kaifu for Compensation

OW2808064390 Tokyo KYODO in English 0531 GMT 28 Aug 90

[Text] Tokyo, Aug. 28 KYODO—An association of Korean veterans of the Japanese Imperial Army during World War II delivered a petition to the office of Prime Minister Toshiki Kaifu on Tuesday seeking compensation for some of their fellow soldiers executed or jailed as war criminals after the war, the group said.

The association seeks 50 million yen for each of the bereaved families of Korean soldiers executed as war criminals for their roles in the harsh Japanese prison camps throughout Southeast Asia. The group is also seeking compensation for Korean veterans who served prison terms as war criminals, asking the government to pay 5,000 yen per day for each day they were incarcerated.

In June 1942, Japanese authorities pressed about 3,000 youths from throughout Korea into military service and sent them to work in the prison camps in Thailand, Java Island, and the Malay Peninsula.

Thousands of prisoners in the camps died, and following the war, 23 Korean soldiers were sentenced to death and another 125 were given prison terms for their roles in the camps, besides the Japanese war criminals similarly punished.

The bereaved families of the Koreans who were executed were denied payments of condolence money and pensions by the Japanese Government, since they were no longer considered Japanese citizens after Japan's colonial rule of Korea ended in 1945. The Korean veterans, who were labeled "B" and "C" class war criminals, first petitioned the Japanese Government for compensation in 1956, but without success.

Agreement With ROK on 3 New Civil Air Routes

OW2808201690 Tokyo KYODO in English 1456 GMT 28 Aug 90

[Text] Seoul, Aug. 28 KYODO—Japanese and South Korean Government officials agreed to inaugurate three new civil air routes between the two countries, according to a YONHAP News Agency report. Under the accord reached at a meeting on South Korea's Cheju Island, the two countries will operate a total of five weekly flights between Fukuoka in western Japan and the island. The other two will be link Seoul with two Japanese cities, Hiroshima and Okayama, but the two sides left the number of flights for further talks Wednesday, the report said.

Kaifu Meets With ROK Construction Minister

OW2808200390 Tokyo KYODO in English 1446 GMT 28 Aug 90

[Text] Tokyo, Aug. 28 KYODO—South Korean Construction Minister Kwon Yong-kak on Tuesday suggested to Prime Minister Toshiki Kaifu that South Korea hopes more of its workers can get construction jobs in Japan and that the country's construction companies will obtain access to Japan's market, government officials said.

Kwon, currently in Japan, made the suggestion when he met Kaifu at his office in Tokyo. Kwon said the both nations will earn greater profits if they join forces in the construction industry.

In response, Kaifu pledged his utmost efforts, saying South Korean President No Tae-u stressed the need for mutual cooperation in various fields when he visited Japan last May. Kaifu also said he wants to visit South Korea when possible.

Prime Minister Meets Kenyan Vice President

EA3008134590 Nairobi KNA in English 1850 GMT 27 Aug 90

[Excerpts] Tokyo, 27 August (KNA)—Japan is to grant Kenya a sum of 24,000,000 dollars for development assistance. This was disclosed to the vice-president and minister for finance, Prof George Saitoti, by the prime minister of Japan Toshiki Kaifu in Tokyo today. Thanking the prime minister for the assistance, Prof Saitoti remarked that the Japanese Government was the premier donor to Kenya.

The vice-president commended Japan for her responsiveness to Kenya's assistance needs and particularly in the co-financing of various development projects. [passage omitted]

He urged the prime minister to consider Kenya for aid on several development projects and programmes alongside sectoral adjustment credit. Prof Saitoti stressed that this was more significant in the light that the price of oil had soared high and would add pressure on the balance of payments. The vice-president appealed to the Japanese private sector to complement her government's assistance to Kenya by investing in the country. He said the Government of Kenya was offering a wide spectrum of incentives that foreign investors would find attractive. He further said Kenya had rich tourist facilities and urged Japanese tourists to take advantage of them.

Prof Saitoti conveyed greetings from President Daniel arap Moi and the people of Kenya to Prime Minister Kaifu and people of Japan. He underlined the friendly and warm relationship between Japan and Kenya which he said should be strengthened and deepened. [passage omitted]

Hashimoto Remarks on Discount Rate Hike

OW3008052090 Tokyo KYODO in English 0153 GMT 30 Aug 90

[Text] Tokyo, Aug. 30 KYODO—Finance Minister Ryutaro Hashimoto said Thursday the 0.75 percentage point increase in Japan's official discount rate is intended to head off inflationary pressure. He made his remark after the Bank of Japan's policy board decided to raise the key rate to 6.0 percent, effective Thursday.

In a statement, Hashimoto called the base rate increase, the fifth since May 1989, an "appropriate pre-emptive strike against a rekindling of inflation in the face of a labor shortage and continued expansion of the economy."

He said he is sure that stability will be restored on Japan's recently volatile markets and that the economy will continue to expand without fear of inflation as a result of the rate increase. The expansion will be led by brisk domestic demand, Hashimoto said.

The discount rate is what the central bank charges on loans to commercial banks.

Trade Minister Criticizes Hike

OW3008054190 Tokyo KYODO in English 0420 GMT 30 Aug 90

[Text] Tokyo, Aug. 30 KYODO—Minister of International Trade and Industry (MITI) Kabun Muto on Thursday accused the Bank of Japan (BOJ) of acting rashly in raising the official discount rate. "Inflationary pressures have not been so evident yet ... the BOJ should have acted with more prudence," Muto said in a comment released by MITI.

The central bank the same day raised the key lending rate by 0.75 percentage point to 6.00 percent per annum, effective immediately, as a preemptive measure against inflation. Muto also said his ministry will steer the economy with care to keep it buoyant. In so doing, the ministry will pay special attention to small- and medium-sized companies, he said.

Other MITI officials also criticized the raising of the key rate at which the central bank lends money to commercial banks. "It was too premature for the BOJ to take an action at this point when no data is yet available about how prices have been affected by the Gulf crisis," one official said.

"This will only fan anxiety among smaller firms about the outlook for the economy," he said. The official also said whether the base lending rate rises or not, wholesale prices of oil products will have to be raised to make up for rising costs.

Others Praise Discount Rate Hike

OW3008060290 Tokyo KYODO in English 0506 GMT 30 Aug 90

[Text] Tokyo, Aug. 30 KYODO—The political and business circles generally praised the 0.7-percentage-point hike in the official discount rate by the Bank of Japan (BOJ) on Thursday as "an appropriate decision."

Hideyuki Aizawa, director general of the Economic Planning Agency (EPA), said the rate hike to 6.0 percent per annum, the fifth since May last year, is "a timely action." He said the decision is aimed at ensuring appropriate and flexible monetary engineering by the central bank amid the booming economy, the high-paced expansion of the money supply, the tightened labor market and rising interest rates.

"The measure will help stabilize the financial markets and contribute to the sustained growth of the Japanese economy," he said.

The banking industry also welcomed the move. Taizo Hashida, president of the Federation of Bankers' Associations of Japan, called the rate hike a well-timed and appropriate action.

Japanese business circles reacted calmly to the hike and remained optimistic about its impact on business activities.

"The Japanese economy is healthy enough to tide it over," said Eishiro Saito, chairman of the Federation of Economic Organizations (Keidanren). "But the problem is how the higher rate will affect the U.S. economy and foreign exchange rates," he said.

Major Japanese companies also said the rate hike simply followed the rise in interest rates in the money market. "We have already digested it," said a senior official at Mitsui and Co., a leading trading house.

But some expressed concern that higher interest rates, making it difficult for companies to raise funds, might slow their investment in plants and equipment. "We cannot endure further interest rate advances," an official at a major automaker said.

Hashimoto Leaves for France, Italy, FRG, UK

OW3008060190 Tokyo KYODO in English 0509 GMT 30 Aug 90

[Text] Tokyo, Aug. 30 KYODO—Finance Minister Ryutaro Hashimoto left Tokyo for Paris on Thursday to visit four major European nations, ministry officials said.

Hashimoto will have a series of meetings from Monday with his counterparts in France, Italy, West Germany, and Britain in that order. They will discuss new cooperative financial policies for the world economy amid growing inflationary pressures triggered by rising crude oil prices after the August 2 Iraqi invasion of Kuwait, the officials said.

Hashimoto is also expected to brief the European finance ministers on the latest rise in Japan's official discount rate, the officials said. The Bank of Japan raised the country's key lending rate Thursday for the fifth time since May last year by 0.75 percentage point to 6.0 percent.

Fiscal 1991 Budget Bids Exceed Y70 Trillion

OW3108112190 Tokyo KYODO in English 1038 GMT 31 Aug 90

[Text] Tokyo, Aug. 31 KYODO—Government ministries and agencies have requested fiscal 1991 budget allocations totaling about 71.1 trillion yen, a 7.4 percent increase over the fiscal 1990 budget, according to figures tallied by KYODO NEWS SERVICE. It is the first time that budget funding requests have exceeded the 70 trillion yen mark.

The requests were submitted to the Finance Ministry by Friday, the deadline set for such submissions, marking another step toward preparing the budget for the next fiscal year starting April 1, 1991. Official figures will not be available until early September, when the ministry will present a report on the requests to the cabinet of Prime Minister Toshiki Kaifu.

The funding requests will serve as the basis of a draft budget the ministry will compile by December, which will be followed by haggling over unallocated funds between the ministry and other ministries.

The Finance Ministry, trying to draft a budget that will enable the government to run state finances with less dependence on national debt, plans to keep the scope of the budget, or general-account spending, at around 70 trillion yen, ministry officials said.

The general account is a major part of total government outlays that encompass many special accounts and the fiscal investment and loan program, known as "the second budget."

Among general-account spending categories, the sum of funding requests for projects aimed at improving the quality of life surpassed the 200 billion yen ceiling set by the government, totaling about 1,150 billion yen, according to figures compiled by KYODO based on requests made by each ministry.

The government has decided to set aside the 200 billion yen allocation besides other public works in line with its pledge to the United States that Japan will spend 430 trillion yen on public works over a 10-year period starting in the next fiscal year.

General-operating expenditures, or those intended to finance government operations, drew funding requests that would boost such spending by 4.4 percent to 36.94 trillion yen from the fiscal 1990.

The 4.4 percent increase matches a growth ceiling set earlier by the government and is the biggest since fiscal 1982 when the budget ceiling system was established to restore balance to the nation's finances.

As earlier reported, requests for general operating outlays feature 4.4 trillion yen for defense spending, a 5.84 percent increase over the fiscal 1990 budget, or the smallest increase since 1981.

Defense Agency Director General Yozo Ishikawa has said the 5.84 percent increase was decided in view of "the current world situation and the nation's financial situation."

Finance Ministry officials have said defense spending should be reduced broadly in light of relaxing tensions between the East and the West.

The Foreign Ministry, for its part, requested some 455.3 billion yen in foreign aid, known as official development assistance (ODA), a 9.7 percent rise over the fiscal 1990 budget. Foreign Ministry officials have contended that the increase is needed to achieve Japan's pledge to extend 50 billion U.S. dollars in ODA over a five-year period starting in 1988.

Spending requests from the Foreign Ministry also include about 150 million yen for providing support to economic reforms in the Soviet Union, the first-ever such request for the Soviet Union.

In the meantime, requests for debt-servicing, roughly one-fourth of the size of the general account, totaled 16.32 trillion yen, a 14.2 percent jump over the fiscal 1990 budget. Ministry officials said the massive funding requests were due chiefly to the increasing cost of interest payments on outstanding government bonds as a result of rising interest rates at home.

The recent surge of interest rates, they said, means an additional 12.02 trillion yen in interest payments on government bonds. The balance of outstanding national debt is expected to reach some 164 trillion yen at the end of this fiscal year.

Requests for local government grants, also part of the general account, were up 8.3 percent at 16.55 trillion yen.

In addition to the general-account budget requests, the ministry also closed acceptance of requests totaling 42.50 trillion yen for outlays aimed at supporting the investment and loan spending program for fiscal 1991.

The growth rate in the program's budgetary requests, or the "second budget," jumped 23 percent in fiscal 1991 from the current fiscal year, according to ministry officials. The program, designed to supplement the general-account expenditures, provides for funds used in major public works projects, housing loans, and special low-interest-bearing loans to developing countries.

Spending for portfolio investment management by the ministry's trust fund bureau and two other semigovernmental units amounted to 11.45 trillion yen, up a hefty 65 percent from the current fiscal year.

The general outlays, excluding the portfolio investment appropriations, came to 31.05 trillion yen, an increase of 12 percent from the current fiscal 1990.

Against the backdrop of Japan's pledges to boosting public works outlays at a recent series of trade talks with the United States, the governmental financial institutions, except for the Housing Loan Corp., asked for higher year-on-year growth in their requests, the officials said.

The ministry is considering allowing for a sizable boost for investments designed to enhance the quality of the people's life, putting emphasis on social capital developments such as housing and road construction.

With the current strong economic expansion seen continuing, the ministry, however, will try to hold down an increase in other general spending outlays to keep the impact on the economy neutral by avoiding overheating the economy, the officials said.

For the revenues to assist the fiscal 1991 investment program, the ministry will seek 8.80 trillion yen from postal savings and 6.58 trillion yen through public pension funds. The program, chiefly financed by these government-controlled public funds and other nontax revenue, also will focus on spending for import-boosting plans.

The government-financed Japan Development Bank, for example, is calling for a sharp 35 percent increase in its budgetary allocation, the officials said.

Small Service Firms Make 'Brisk' Investments

OW2908101290 Tokyo KYODO in English 0830 GMT 29 Aug 90

[Text] Tokyo, Aug. 29 KYODO—Small- and medium-sized companies in the service industries made brisk capital investments in fiscal 1989, ended in March 31, 1990, the Ministry of International Trade and Industry (MITI) said Wednesday. Small-sized wholesalers and retailers invested 1.46 trillion yen on facilities in that fiscal year, up 6.4 percent from the previous year.

The yearly upswing in capital spending by small distributors represents the sixth consecutive rise, according to a report by the small and medium enterprise agency. And other minor-league service supplying companies poured 1.44 trillion yen into their stores and facilities in fiscal 1989, up 7.6 percent, the report said.

"Overall capital investments by small- and medium-sized service companies are definitely on a steady uptrend against the backdrop of continued economic expansion," said Harumi Takahashi, director of the agency's research division.

Among the distributors, retailers invested 733.7 billion yen, up 5.0 percent. Wholesalers also spent lavishly on facilities, lining up 730.3 billion yen for capital spending, up 7.9 percent. By sector, wholesalers of machine tools and those handling mine and metal materials poured especially large sums of money into fixed investments. Among retailers, gas stations, and sellers of automobiles and bicycles spent a lot.

Small distributors, however, show caution in drawing their capital spending plans for fiscal 1990. The distributors plan to spend 1.4372 trillion yen in the current fiscal year, down 1.8 percent from the previous year. But that is not unusual because many small companies do not set capital spending plans early in a fiscal year, agency officials said.

In the nondistribution service-producing sectors, leasing companies for construction machinery, information service firms, and auto repairers put up a lot of capital investment in fiscal 1989. The nondistributors plan to invest 948.5 billion yen on facilities in fiscal 1990, up 0.1 percent.

Toyota To Enlarge Marine, Air-Related Business

OW2808103990 Tokyo KYODO in English 0907 GMT 28 Aug 90

[Text] Tokyo, Aug. 28 KYODO—Toyota Motor Corp. said Tuesday it will change its articles of incorporation to strengthen its finance business and to expand its business into marine and aircraft-related fields.

The company aims to triple nonauto business to 6 percent of total annual sales by 1994 from the current 2 percent, Toyota officials said. The decision will be authorized in a Board of Directors' meeting scheduled Wednesday.

Toyota's finance subsidiary has mainly served car dealers. The company hopes to expand it into a full-fledged finance company serving consumers to make better use of Tokyo's [as received] more than 2 trillion yen in capital funds, the officials added.

As for aircraft-related business, the officials said a subsidiary will provide sales and maintenance know-how for lightweight airplanes. Toyota will seek further business possibilities in the field but it is not considering production of aircraft engines at this point, they said.

NTT Claims Develops First Electron Microscope

OW2908082890 Tokyo KYODO in English 0706 GMT 29 Aug 90

[Text] Tokyo, Aug. 29 KYODO—Nippon Telegraph and Telephone Corp. (NTT) said Thursday it has developed what it claimed to be the first electron microscope that can observe and enlarge in real-time the uneven layers of atoms in crystalline structures that make up multi-material-based semiconductors.

NTT officials said the new electron microscope will open the doors for scientists to better understand the basic elements of semiconductors composed of different materials. It will also enable them to develop new techniques to be used for fabricating next-generation chips that will be required in the 21st century, they added.

The new electron microscope has a maximum high definition resolution of 30 nanometers. A nanometer is equal to one-billionth of a meter. NTT officials said the high resolution ability of the electron microscope enables pictures to be taken every second.

NTT presented its new discovery at an international conference held in San Diego, California, Tuesday.

North Korea

KCNA Cites Government Stand on Gulf Crisis

SK3008151890 Pyongyang KCNA in English 1501 GMT 30 Aug 90

[Text] Pyongyang August 30 (KCNA)—The spokesman of the Foreign Ministry of the DPRK today gave answers to questions of a KCNA reporter concerning the current situation in the Gulf area and the position of the DPRK Government on it.

Recalling the principled position of the DPRK already made clear on Iraq's invasion of Kuwait and proclamation of Kuwait's annexation to Iraq, the spokesman said:

We have consistently maintained that any country must never be allowed to infringe on other country's territorial integrity and sovereignty in any part of the world and that disputes must be settled by peaceful means, not by armed forces.

Proceeding from this position, we oppose Iraq's invasion of Kuwait and annexation and, at the same time, denounce the United States for taking this opportunity of massing large armed forces in the Gulf area and attempting to start a wholesale military intervention in this region.

Now the world is following the developments with deep apprehensions for the situation in the Gulf that has reached a more grave stage owing to the armed intervention of the U.S. imperialists and other outside forces.

We maintain that the Iraq-Kuwait dispute should be resolved in a peaceful way and the presence of foreign armed forces in the Gulf and their military intervention in this [illegible]on be discontinued.

Noting that there are insidious attempts to create scepticism and distrust in our stand concerning the Gulf situation, the spokesman said:

An American paper August 27 carried a false report that we were delivering military supplies to Iraq.

Lurking behind this is an ulterior political intention to undermine the dignity of our Republic by misleading world opinion.

It is an old game and a bad habit of the U.S. imperialists that, each time an incident occurs, they try to link it with others in a far-fetched way and provoke them.

We consider such act of the United States to be a product of its persistent hostile policy towards our Republic and another deliberate provocation of the U.S. reactionaries, the spokesman stressed.

Further on N-S Maneuvers for High-Level Talks

South's Attitude Criticized

SK3108030790 Pyongyang Domestic Service in Korean 1150 GMT 29 Aug 90

[Commentary by station commentator Kim Ho-sam: "An Act of Throwing a Wet Blanket Over the Prospect of Dialogue"]

[Text] As we know, the first round of the North-South High-Level Talks is scheduled to be held in Seoul, beginning 4-7 September.

Nowadays, all fellow countrymen are hoping that the hard-won North-South High-Level Talks will actually and effectively come to fruition, by putting an end to confrontation in keeping with the people's desire for reunification and by substantially opening a favorable phase for peace and for the peaceful reunification of the country.

While the date of the talks is approaching, the South Korean persons in authority continue to make remarks, this disappoints and worries fellow countrymen.

On 27 August, the South Korean Ministry of Foreign Affairs, in a brief meeting with reporters, proclaimed that, even though the South side does not oppose the North's stand of discussing the question of entering the United Nations at the North-South High-Level Talks to be held in September, if the North, adheres to its existing stand, the South side will press ahead with its unilateral entry into the United Nations this year.

Such remarks and activities presuppose not an agreement at the North-South dialogue but a failure. Thus, this clearly shows the South side's intention to persistently seek a splittist line. Accordingly, this cannot but be seen as an extremely rude and haughty act of throwing a wet blanket over the dialogue and challenging the people's enthusiasm for reunification.

The question of entry into the United Nations is not only a grave issue, directly related to the question of the reunification of the fatherland, but also an issue related to the future course of the nation.

Therefore, even though the stands of the North and the South on the question of entering the United Nations differ, neither should make remarks abroad, but should negotiate and discuss differences within the nation in the interest of reunification. Thus, we proposed that the question of entering the United Nations be discussed within the framework of the schedule of the North-South High-Level Talks.

The South side agreed to our proposal, however, it is not trying to settle the question of entering the United Nations through the North-South dialogue. This is an act both of negating an agreement with us and of insincerity toward a dialogue partner.

We cannot but take issue with the basic stand and attitude of the South Korean persons in authority toward the dialogue. The dialogue between the North and the South is not aimed at perpetuating division but at achieving the reunification of the country. Thus, the dialogue between the North and the South should take the lead in reunification of the country and in finding a practical solution for questions concerning reunification. Such talks to fix the division of the country are unnecessary. If such talks are held, they are meaningless and produce no results.

Judging from the remarks and activities of the South Korean persons in authority, it seems that they will seek a bargain to fix division. Such actions can in no way be tolerated.

Also, the question of unilateral entry into the United Nations, in which the South side persists, is one such action. Under the current situation where our country is divided, if the North and the South enter the United Nations separately, it goes without saying that that would result in internationally justifying two Koreas and perpetuating the division of our country.

The South Korean persons in authority persistently turn a deaf ear to our reunification-oriented proposal that the North and the South should enter the United Nations as a unified Korea and that if the North and the South enter the United Nations before reunification, they should enter the United Nations as one seat. This clearly shows their splittist stand.

Some days ago, reviewing their proposals to be put forward in the North-South talks, the South Korean persons in authority made it clear that they would continue to use a so-called policy of establishing diplomatic relations, so as to fix division.

Proceeding from a stand of fixing national division, the South Korean ruling quarters are trying to use the dialogue forum as a means for realizing their criminal purpose and running wild with antinational and antireunificaiton wiles, while clinging to the coattails of foreign forces. This goes against the desire of the nation for reunification and entirely rejects dialogue and reunification. Such maneuvers can never give good results.

The South Korean persons in authority should give up such activities as spreading abroad the national questions, of clouding the atmosphere of the North-South dialogue, and of throwing a wet blanket over the prospect of dialogue. In addition, they should come out to the dialogue with a sincere attitude.

KCNA Reports Contact

SK3008152290 Pyongyang KCNA in English 1516 GMT 30 Aug 90

[Text] Panmunjom August 30 (KCNA)—The third working-level contact between the chief liaison officials of the two sides concerning North-South High-Level Talks was held at the conference room of the Neutral Nations Supervisory Commission here today.

At the contact our side handed over to the opposite side a list of names of our side's delegation to the first North-South High-Level Talks to be held in Seoul and of its suite members and reporters.

The program of our delegation's stay in Seoul was discussed and agreed upon there.

International Groups Decry ROK's 'Violations'

SK3108103190 Pyongyang KCNA in English 1015 GMT 31 Aug 90

[Text] Pyongyang August 31 (KCNA)—Delegates of international organisations exposed and denounced the violations of human rights in South Korea at a meeting of the United Nations Human Rights Small Committee held in Geneva from August 16 to 23.

A delegate of the international federation of population, pointing to the forcible pulling down of houses of poor inhabitants in South Korea, noted that 720,000 people were evicted in Seoul alone in 1988, and about 200,000 poor people in 29 areas in 1989.

A delegate of the World Federation of Trade Unions said that since the organisation of the "National Council of Trade Unions" (Chonnohyop) in South Korea its chairman and many other leading members and workers have been arrested. He demanded that the South Korean authorities recognize "Chonnohyop".

U.S. Delegates Arrive for Reunification Seminar

SK3008153490 Pyongyang KCNA in English 1507 GMT 30 Aug 90

[Text] Pyongyang August 30 (KCNA)—Delegates of the United States arrived in Pyongyang today to participate in a seminar of Korea-U.S. anti-war, anti-nuclear organisations and community activists on peace and reunification of the Korean peninsula.

Among them are Lydia Bayoneta, national organiser of the people's anti-war mobilisation; Ruth Cadwallader, chairperson of the Asia-Pacific committee of women's international league for peace and freedom, the USA; John Catalinotto, member of the national committee of the Workers World Party of the USA; Ben Dupuy, editor of the newspaper "HAITI PROGRES"; Karen Gellen, foreign editor of the newspaper "GUARDIAN"; Juan Gutierrez, executive director of the one-stop immigration and education centre; Doug Jenness, member of the political bureau of the Socialist Workers Party of the USA and editor of the party organ; Andrew Jones, associate professor of Northeastern University; Wilhelm Joseph, U.N. delegate of the National Conference of Black Lawyers; Robert Knight, executive director of the W.B.A.I. Pacifica Radio; Ying Lee-Kelley, co-chairperson of the Oakland-Berkley Rainbow Coalition; Ernst Merisier, member of the executive board of the United Steel-Workers of America Local 8751; Arron Moss, director of Greenwich Village Coalition affiliated with Sane-Treeze; Clayton Ramey, member of the executive committee of the African People's Christian Organisation; Heather Sue Randle, national secretary of the Young Socialist Alliance of the USA; Bill Roundtree, director of the "Job Is a Right" campaign;, Pramilla Srivastava, organiser of the new School Students and Staff Against Racism; Cleveland Thornhill, vice-president of the U.S. Peace Council; and a Canadian journalist.

Co-chairperson of the delegation Susan Bailey, member of the national committee of the Workers World Party of the United States and chairperson of the U.S. Get Out of Korea Committee, who arrived here earlier, on August 25, released a statement upon arrival at the airport on behalf of them.

We hope that our visit here will enable us to learn more of the achievements of your country, to learn about and discuss the political issues and proposals regarding reunification and disarmament, and to meet friends who we can develop a relationship with as we work together for peace and reunification, the statement said, adding:

Living in the U.S., we know that our task is to change U.S. policy toward Korea.

We need to support the right of the Korean people to determine their own future, their own destiny - without interference from outside forces.

Co-chairman of the delegation Ben Dupuy, editor of the newspaper "HAITI PROGRES", also spoke on the occasion.

Noting that the purpose of their visit to the DPRK is to create a climate favorable to peace and reunification of Korea, he expressed the belief that the seminar would mark a good occasion in strengthening friendship between the peoples of the two countries.

Kim Hyong-kwon's Anti-Japanese Feats Remembered

SK3108044590 Pyongyang KCNA in English 0432 GMT 31 Aug 90

[Text] Pyongyang August 31 (KCNA)—A national meeting was held at the People's Palace of Culture on August 30 to commemorate the 60th anniversary of the advance into the homeland of Comrade Kim Hyong-kwon, an indomitable communist revolutionary fighter.

Choe Tae-pok, alternate member of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea, made a report at the meeting.

According to the report, the great leader Comrade Kim Il-song who formed the Korean Revolutionary Army [KRA] with young communists on July 6, 1930 sent to the homeland an armed group led by Comrade Kim Hyong-kwon and other armed groups of the KRA in the summer of 1930, with a plan to expand the anti-Japanese armed struggle deep into the homeland in future.

Comrade Kim Hyong-kwon led the armed group of the KRA into the homeland in early August, 1930, conducted political work among workers and peasants in Hwangsuwon area and roused them to the anti-Japanese struggle. And he raided the Naejung Police Substation in Pabal-ri, Pungsan County and brought under control ruling organs of Japanese imperialism on August 14, 1930.

The Japanese imperialists who were beaten in Pabal-ri posted searching parties at important points and through a strict cordon, but Comrade Kim Hyong-kwon advanced into Iwon, Tanchon, Pukchong and Hongwon and dealt one blow after another at the enemy through brisk military and political activities.

After he was arrested, informed against by a lackey of Japanese imperialism, he fought valiantly against the Japanese imperialist thugs and inspired his comrades with the conviction of certain victory before he died at the age of 31 on January 12, 1936.

Though the life of Comrade Kim Hyong-kwon was short, it was the shining life of a staunch communist revolutionary who heroically fought against the Japanese imperialists to the last moments of his life in the indomitable revolutionary spirit and with a strong will for the liberation of the country and the freedom and liberation of the people.

Meeting Marks Vietnam National Day Anniversary

SK3108045990 Pyongyang KCNA in English 0442 GMT 31 Aug 90

[Text] Pyongyang August 31 (KCNA)—A meeting was held here Thursday to mark the 45th anniversary of the national day of the Socialist Republic of Vietnam.

Speaking at the meeting, Minister of Finance Yun Ki-chong said that the founding of the Republic in Vietnam was an event which opened a broad avenue for the resurrection of the nation and the creation of a new life. After the reunification of the country, the Vietnamese people have been advancing along the road of socialism chosen by President Ho Chi Minh and the Communist Party of Vietnam, she noted.

Stating that the indestructible solidity of the friendly and cooperative relations between the peoples of the two countries has been firmly guaranteed as they were established on the basis of several meetings and intimacy between the great leader Comrade Kim Il-song and respected Comrade Ho Chi Minh of the Vietnamese people, she stressed that the Korean people will make every possible effort to consolidate and further develop these friendly and cooperative relations in conformity with the cause of socialism and in the interests of the peoples of the two countries.

Speaking next, Vietnamese Ambassador to Korea Nguyen Van Trong said that the international situation today is complicated due to the anti-socialist moves of the imperialists and the reactionaries. The Communist Party and Government of Vietnam will strive to defend and strengthen socialism, he added.

Noting that today the Korean people have made brilliant achievements in socialist construction under the energetic and tested guidance of the Workers' Party of Korea headed by respected Comrade Kim Il-song and of the dear leader Comrade Kim Chong-il, he said: All the achievements made in your country demonstrate the superiority and vitality of socialism.

Stating that President Kim Il-song recently put forward new proposals for pulling down the barrier of division, realising free travel and complete opening between the North and the South, easing the tension on the Korean peninsula and promoting North-South dialogue, he said that the party, Government and people of Vietnam express resolute support and solidarity for these proposals.

The party, Government and people of Vietnam value the fraternal relations of friendship and cooperation with the party, Government and people of Korea and will consolidate and further develop these friendly relations in the interests of the two peoples, peace and socialism, he stressed.

Present at the meeting was Vice-Premier Kang Hui-won.

Dailies Mark Malaysian Independence Anniversary

SK3108103390 Pyongyang KCNA in English 1018 GMT 31 Aug 90

[Text] Pyongyang August 31 (KCNA)—Dailies here today dedicate articles to the 33rd anniversary of the independence of Malaysia.

Pointing to the success made by the Malaysian people in building a new society in the past 33 years, a signed article of NODONG SINMUN says:

Malaysia is pursuing a non-aligned policy and demanding the conversion of Southeast Asia into a nuclear-free zone.

The Korean people are rejoiced over the achievements of the Malaysian people in the building of a new society.

To develop relations between Korea and Malaysia conforms with the interests of the two peoples.

The Korean people will strive to develop the friendly and cooperative relations with the Malaysian people.

The author of a MINJU CHOSON article says:

On the significant holiday of the Malaysian people, the Korean people wish them greater success in their efforts for the prosperity and development of the country.

Further Reportage on Cuban Delegation's Visit

Kim Yong-nam Addresses Meeting

SK3008113090 Pyongyang Domestic Service in Korean 1220 GMT 28 Aug 90

[Speech by Kim Yong-nam, member of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK] and DPRK foreign minister, at a central commemorative meeting held on 28 August at the People's Palace of Culture in Pyongyang marking the 30th anniversary of the establishment of diplomatic relations between the DPRK and the Republic of Cuba—portions recorded]

[Text] Kim Yong-nam said that today, at a time when the militant friendship and unity between the people of Korea and Cuba have reached a new high stage on the single road toward the struggle to achieve the socialist cause, we have gathered here with our fraternal Cuban friends to commemorate the 30th anniversary of the establishment of diplomatic relations between the two countries. He continued:

[Begin Kim Yong-nam recording] At this significant meeting, on behalf of the DPRK Government, the Korean people, and the citizens of Pyongyang who have gathered here, I send the warmest greetings and congratulations to the Government of the Republic of Cuba and the fraternal Cuban people. [applause]

Also, I extend deep gratitude to the Cuban Government for sending Comrade Vice-Minister Oscar Oramas to celebrate with our people this festive day of the people of the two countries. [applause]

Reflecting the desire of the people of the two countries, Korea and Cuba established diplomatic relations 30 years ago.

The establishment of diplomatic relations has glorious traditions of the revolutionary struggle for freedom and national independence against imperialism and colonialism and was a historical event which firmly united the people of Korea and Cuba, making a vigorous advance toward independence. [applause]

After the establishment of diplomatic relations, the people of the two countries for 30 years have worked shoulder to shoulder and struggled together for anti-imperialist independence, peace, and socialism and have supported and cooperated with each other for the expansion and development of the Nonaligned Movement.

The U.S. imperialists, who became frightened at the victory of the Cuban revolution and the strengthening of its influence, constantly carried out all kinds of aggression and provocative maneuvers to abolish socialist Cuba in its infancy.

Our party and people, who regard the interest of the revolution as the greatest principle, hold that solidifying the victory of the Cuban revolution is not only an important issue that determines the life and death or rise and fall of the life of the Cuban people itself, but that it is also a key issue that influences the fate of the development of the Latin American revolution. Also, our party and people have worked to safeguard the Republic of Cuba from the aggression of imperialism and to actively support the socialist construction in Cuba.

In the process of supporting and cooperating with each other unselfishly to safeguard the gains of the revolution by standing face to face with the common enemy and on the single road to carry out the struggle to achieve victory in the socialist cause, the people of the two countries of Korea and Cuba became closely linked as friendly brothers and close comrades-in-arms.

Even under very difficult situations, the Cuban party, Government, and the people, from beginning to end, actively supported our cause to achieve the reunification of the fatherland.

We will never forget the fact that the Cuban people stood beside us to the end with extraordinary determination during the 24th Olympic Games.

Comrade Fidel Castro, who is the top leader of the Cuban revolution, elucidated his resolute position that Cuba cannot bargain for principle or replace it with some gold medals. Also, the heroic Cuban people who receive his leadership kept in step with us to the end without the slightest degree of wavering and showed a model of an international image.

This kind of support and encouragement can appear only from the revolutionary spirit opposing imperialism and this is without doubt something very important that cannot be bought with a hundred million golds.

The reason for the most pure and noble friendly relations between the two countries of Korea and Cuba, and for being a model between true class brothers and revolutionary comrades-in-arms, have their basis in the immortal faith and revolutionary principle which the leaders of the two countries possess wholeheartedly.

The historic meeting held in Pyongyang between the great leader Comrade Kim Il-song and respected Comrade Fidel Castro in March 1986 was an immortal event which will remain recorded on the course jointly covered by the Korean and Cuban people and a great event which invincibly consolidated the friendship and solidarity between the two countries.

Our people are proud of the relations of friendship between Korea and Cuba which are developing on the single road of upswing in conformity with the spirit agreed upon between the leaders of the two countries and with the treaty of friendship and cooperation between the two countries. They are also filled with the determination to glorify these relations forever.

Today, under the Communist Party of Cuba, headed by esteemed Comrade Fidel Castro, the fraternal Cuban people are effecting a great upsurge in all fronts of a socialist country, not only to further strengthen the material and technological foundation of socialism by thoroughly implementing the decision of the third party congress, full of firm faith in and optimism toward the victory of the revolution, but also to greet the upcoming fourth party congress with high political zeal and brilliant labor exploits.

In recent years, as a major part of their maneuvers against socialism, the U.S. imperialists have further perpetrated dirty and vicious maneuvers to block the socialist advance of Cuba, which has become the banner of struggle in Latin America. The U.S. imperialists' inauguration of Marti Television, beamed toward Cuba, the concentration of their naval forces in the sea off Cuba, and their threat and blackmail against Cuba are a flagrant infringement upon Cuba's sovereignty and a haughty act connected with the U.S. imperialists' overall political, economic, and military maneuvers against socialism. The U.S. imperialists should not miscalculate and should renounce their anachronistic delusion.

Not long ago, esteemed Comrade Fidel Castro said: Although the imperialists think that we will not be able to bear up any longer, there is no strength in the world which can bring Cuba to her knees or make her give in. This is a shout of the indomitable resistance of the fraternal Cuban people to advance, holding aloft the Red flag of the revolution. Cuba, the island of freedom in Caribbean Sea, whose leader, people, and country alike are (?heroes), will remain forever as a (?bulwark), which is the symbol of mercilessness and the symbol of invincible spirit and resistance under any difficult circumstances. [applause]

The Korean people sincerely rejoice over the victories and successes of the fraternal Cuban people in the struggle against imperialism and for socialist construction. They heartily wish the Cuban people greater success in the struggle to safeguard the gains of the revolution, to defend the country's sovereignty, and to achieve the victory of the socialist cause and in the work of preparing for the fourth party congress. [applause]

Today, cherishing in their hearts the great national dignity and honor of carrying out the revolution, holding the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, our people are vigorously struggling to expedite the complete victory of socialism and to achieve national reunification. Thanks to the wise leadership of our party and the creative struggle of our people, new miracles and innovations are being effected in the revolution and construction, and the might of socialism of our style is being strengthened with each passing day.

The achievement of national reunification is the most urgent national task of our people. The history of nearly half a century since the country was divided has been the history of nationwide struggle for national reunification. Through this consistent struggle, the nation's common program for national reunification and the policy for its realization have already been provided, and the reunification movement has been turned into an all-national movement today. Our party and government have made all possible sincere efforts to achieve the national reunification cause at the earliest possible date, in conformity with the ardent desire of the entire nation for national reunification.

In his policy speech at the first session of the Ninth Supreme People's Assembly, the great leader Comrade Kim Il-song put forward an epochal five-point policy for national reunification. This policy has won absolute support and welcome from the people at home and abroad because of its realistic, fair, and aboveboard character. Splittists at home and abroad, however, turning away our sincere efforts, have more tenaciously adhered to the policy of two Koreas. While talking about reunification, free travel, and exchange, the persons in authority of South Korea are, in actuality, advancing along the road of division, not the road of reunification. But any maneuvers by the splittists cannot block our people's vigorous march toward reunification.

The fervor of all of the Korean people for national reunification is hotter than ever before, and a bright prospect has been opened on the future road of national reunification. This August, in Panmunjom, the symbol of national division, a pan-national rally was successfully held for the first time since the country's division, with compatriots from the North, the South, and overseas attending, after smashing the South Korean puppets' desperate obstructionist maneuvers. This clearly proved that the blood vessels of our compatriots are one, and that they can pool their strength, wisdom, and minds into one, regardless of whether they live in the North, in the South, and overseas, and transcending differences in political views and religious beliefs.

Indeed, the pan-national rally demonstrated to the world how strong and firm the will of the Korean people is for reunification. It dealt serious blows to splittists and gave great encouragement to the people who want reunification. It bestowed upon our people the firm faith that they can achieve national reunification without fail with their united strength. It is the firm and invariable will of our nation to glorify the nineties as the era of reunification and as the era of victory. Our people will sternly smash all sorts of splittist maneuvers and will thus achieve the sacred cause of national reunification, the utmost desire of our nation, without fail.

I take this opportunity to express deep thanks to the fraternal party, government, and people of Cuba for their active and unconditional support and encouragement for our people's reunification cause. [applause]

Because of the maneuvers of the imperialists and opportunists, grave situations are taking place one after the other in the international arena today. The imperialists, led by the U.S. imperialists, are spreading rumors of the crisis of socialism and clamoring as if socialism had met its doom. This is like one trying to hide the sun in one's hands. Socialism and communism are the promising and bright future of mankind and are the irresistible flow of history. Only socialism and communism can bring genuine peace and prosperity to this world and can guarantee the independent and creative genuine happiness for the people.

The great changes effected in Korea and Cuba clearly show that as long as the wise leadership of a great leader exists, and as long as the people who are firmly rallied around their leader exist, socialism can be successfully built under any adversity and no strength can block the people's road toward socialism. As the imperialists' maneuvers for aggression become unscrupulous, the faith in the victory of the socialist cause which is cherished deep in the hearts of the people of our two countries will strike its roots more deeply, and the socialism built in Korea and Cuba will raise high as an invincible fortress. [applause]

The traditional relations of friendship and cooperation between Korea and Cuba, which have been formed historically, have fully demonstrated their great vitality in the course of joint struggle for the past 30 years. It is the unshakable will and firm determination of our party to constantly strengthen and develop friendship and solidarity between the Korean and Cuban people generation after generation. Our people deem it their great dignity and pride to have the Cuban people as their reliable allies and as their comrades-in-arms.

We will staunchly fight as ever shoulder to shoulder with the fraternal Cuban people in the joint struggle against imperialism and for the accomplishment of the socialist cause under any difficult circumstances. [applause]

Long live the 30th anniversary of the establishment of diplomatic relations between the DPRK and the Republic of Cuba. [applause]

Long live the invincible and fraternal friendship and solidarity between the Korean and Cuban peoples. [applause]

Long live Comrade Fidel Castro Ruz, the supreme leader of the Cuban revolution. [applause]

Long live the great leader Comrade Kim Il-song. [applause]

Long live the dear leader Comrade Kim Chong-il. [applause] [end recording]

Oscar Oramas Addresses Meeting

SK3008121490 Pyongyang Domestic Service in Korean 1220 GMT 28 Aug 90

[Speech by Oscar Oramas, vice foreign minister of Cuba and head of the Cuban Foreign Ministry delegation at a national meeting held in Pyongyang to mark the 30th anniversary of the opening of diplomatic relations between the DPRK and the Republic of Cuba; date not given—portions recorded]

[Text] Oscar Oramas said that he expresses the deepest gratitude to the Korean comrades for holding this warm and militant commemorative meeting on the 30th anniversary of the establishment of diplomatic relations between Cuba and Korea, and continued:

[Begin Oscar Oramas recording in Spanish fading into Korean translation] On 29 August 1960 the historical document on the establishment of diplomatic relations between the two countries was signed in Havana. For the 30 years since then, many things have happened that give trust to the fraternal relations between the peoples of our two countries as symbols of the special intimate relations between our supreme commander Comrade Fidel Castro and the Korean people's great leader Comrade Kim Il-song.

The Korean people and the Cuban people have not only supported each other in the joint efforts to push ahead with socialist construction, but struggled by joining their voices in the international arena to defend the legitimate rights of the peoples of other countries to win complete equality and sovereignty and national independence.

Like the Korean people, the Cuban people live with great pride in a historical, revolutionary, and internationalist tradition. I am convinced that without the struggle and sacrifice of our forefathers, this victorious advance in our history would not have been possible, nor would we have been able withstand the suppression and hostile acts perpetrated against us by the U.S. imperialists.

The U.S. imperialists committed hostile acts against us because we decided to follow the road best serving the interest of our people and because we did not do what others told us to do. But we will never give up our revolution, which has enabled us to keep national dignity as a noble flower and generalized the Cuban people's spirit of independence extensively in Cuba.

We will never forget the warm steps of solidarity the fraternal Korean people have always taken for us since the eve of the victory of the Cuban revolution. These solidarity steps always encourage us. Our two countries have strengthened their relations even more through the exchanges in economic, cultural, sports, and science-technology fields and through the exchange of delegations, including party and government figures.

The economic and technological cooperation and trade relations between the two countries have made positive progress as a result of the great efforts of the governments and peoples of our two countries. This economic and technological cooperation has made more extensive progress since August 1968 when the agreement on economic cooperation was signed between the governments of the two countries and the (?consultative council for economic and scientific-technological cooperation) was founded. Technological exchanges and cooperation have been made more closely in the fields of industry, agriculture, livestock, and fisheries, and the volume of trade has greatly increased.

During this most significant time, our supreme commander Comrade Fidel Castro visited the DPRK. For us Cuban people, this historic meeting between our supreme leader Comrade Fidel Castro and President Comrade Kim Il-song marked a new starting point for the development of the relations between the two countries, and became the supreme milestone in the development of the relations between the parties, governments, and the peoples of the two countries. [applause]

During his historic stay in the DPRK, Comrade Supreme Commander Fidel Castro, in a mass rally in Pyongyang, clarified a most clear and correct ideology, supporting the struggle of the Korean people and said as follows: Cuba strongly holds that there exists only one Korea. Cuba fully supports the correct policies for national reunification set forth by President Kim Il-song and the Workers' Party of Korea [WPK] and supported by all of the Korean people. [applause]

Korea and Cuba will advance, holding the banner of the victory of socialism in the front, and will demonstrate the superiority of socialism. History will prove without fail that we have built a humanitarian and just society for the people. [applause]

Dear comrades: Today we significantly celebrate the 30th anniversary of the establishment of diplomatic relations and the 30th anniversary of the signing of the cultural agreement, important events in the history of friendly and cooperative relations between our two countries. It is indeed intolerable to try to adjust our extraordinary efforts for the country's development and for strengthening socialism in our country with the things that have taken place in East European countries. Wearing a high hat in the face of such a fact, the imperialists are attempting to destroy the revolution of Cuba and to force upon us reform which has nothing to do with the roots of our history and with our political, economic, and social realities.

The brutal acts that the imperialists perpetrated against our country most recently are: First, they attempted to broadcast Marti Television in a bid to suffocate our people. This is an act of aggression which is against generally recognized international norms and is an act that flagrantly violates international law. Second, a few weeks later, the U.S. rascals conducted a large-scale military exercise against our country, mobilizing large-scale military forces. At that time, we were busy harvesting sugarcane and doing farm work. But we did not neglect to carry out our primary revolutionary task and inspired our Revolutionary Armed Forces and numerous people to stage an exercise to defend Cuba. Thus, we demonstrated to the world the organizational power of our armed people and their preparedness.

The third fact that can be described as a hateful act is that the U.S. rascals released the assistant mayor (Orlando), a murderer, who is known as a gangster and terrorist and who is known as the ringleader of the incident which blew up a Cuban plane carrying 76 passengers. This incident was one of the most shocking and brutal terrorist activities in the world. Among the victims were Koreans.

The manuevers that the U.S. rascals perpetrated against our country recently are that hoboes and government-paid gangsters have illegaly broken into our embassies in some countries. These incidents were prepared and manipulated by the enemies of our country.

In a function marking the 37th anniversary of the battle on 26 July our comrade supreme commander said: Socialism is not an opportunistic choice, nor is it a momentary game. It is not a transitional game. It cannot become so.

Socialism was a result of the political and ideological development in our society and is the biggest and [word indistinct] fruition of our society. If we want to have a genuine independent country, if we really want to have a free country, if we want to have a country as the master of our destiny, [passage indistinct], if we want to have a country which has the right to build its future [words indistinct], and if we want to remove all irregularities and all waste, we should put an end to the capitalist system. We have overthrown this system in our country. This system will never come back as long as only one communist, one revolutionary, or one patriot exists on this land.

Comrades: The Korean people, too, are waging a heroic struggle to remove the U.S. imperialist aggressor forces from South Korea and to reunify the divided fatherland.

On this occasion, we extend our unconditional support to the struggle of your country's people to independently, peacefully reunify Korea. Korea is one. [applause]

Provocative incidents along the military demarcation line, illegal acts in the air and the sea, the "Team Spirit" military exercise, and numerous other acts of aggression will not be able to dampen or break the Korean people's earnest desire to live in a reunified Korea.

South Korea has turned into the U.S. imperialists' colony, and the danger of confrontation is growing every year there. [Words indistinct] wholeheartedly support all the proposals by the WPK and the DPRK Government to alleviate tension and to establish a nuclear- free zone in the Pacific and on the Korean peninsula. [applause]

We support the proposals to tear down the concrete wall, which divides the Korean peninsula; to realize free travel between the North and South and total opening up; for the North and South to enter the United Nations as one member; to develop external relations on the principle of promoting an international environment favorable to Korea's independent, peaceful reunification; to build a Korea-wide united front for the reunification of the fatherland—proposals that the Korean people's great leader Comrade President Kim Il-song advanced during his speech at the first session of the Ninth Supreme People's Assembly. [applause]

We express our sincere thanks to the WPK, the government of the Republic, and the Korean people for having constantly extended strong support to the just cause of our Cuban people who are struggling to defend their sovereignty and independence. Also, we sincerely hope that, under the correct leadership of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, the Korean people will bring about the greatest achievements in materializing the decision at the Sixth WPK Congress and the just cause of independently, peacefully reunifying the fatherland. [applause]

Hail to the 30th anniversary of the establishment of the diplomatic relations between the DPRK and the Republic of Cuba! [applause]

Hail to eternal friendship between the Korean people and the Cuban people! [applause]

Long live the Korean people's great leader Comrade President Kim Il-song! [applause]

Long live our Supreme Commander Fidel Castro Ruz, the supreme leader of the Cuban revolution! [applause]

Long live socialism! [applause]

Long live the dear leader Comrade Kim Chong-il! [applause]

Thank you. [applause]

Kim Yong-nam Meets Visitors

SK3108045190 Pyongyang KCNA in English 0441 GMT 31 Aug 90

[Text] Pyongyang August 31 (KCNA)—Vice-Premier and Foreign Minister Kim Yong-nam on August 30 met and had a friendly conversation with the visiting delegation of the Foreign Ministry of Cuba led by its Vice-Minister Oscar Oramas.

Present on the occasion were Chon In-chol and Kim Chae-suk, vice-ministers of foreign affairs, and Juan Jose Leon Vega, Cuban ambassador to Korea.

Envoys From Nonaligned Countries Visit Farm

SK3108050990 Pyongyang KCNA in English 0450 GMT 31 Aug 90

[Text] Pyongyang August 31 (KCNA)—Diplomatic envoys of the non-aligned countries in Korea visited the Kwail County combined fruit farm of South Hwanghae Province on August 30 on the occasion of "the day of non-alignment".

The guests were shown round the orchards of the Sindae Branch of the farm, being briefed on the wise guidance and care of the great leader President Kim Il-song and our party under which the place, once a barren land, has turned into 40-kilometre youth orchards which have bumper fruit every year.

Earlier, they went to see the first-stage pumping station of the West Sea barrage-Sinchon-Kangnyong and Ongjin water channels.

The Administration and Economic Guidance Committee of South Hwanghae Province arranged a banquet that day on "the day of non-alignment".

Editorial Urges Citizens' Innovation, Optimism

SK3108013490 Pyongyang Domestic Service in Korean 0007 GMT 25 Aug 90

[NODONG SINMUN 25 August editorial: "Let Us Exert More Highly Revolutionary Ethos of Making Continuous Innovations and Advances With Overflowing Faith and Optimism"]

[Text] Today we have the honorable and heavy task of vigorously accelerating socialist construction and expediting the realization of the independent reunification of the fatherland, upholding the policy speech of the great leader Comrade Kim Il-song. To successfully carry out this sacred task and to develop our revolution onto a new higher stage, all party members and working people should exert the revolutionary ethos of making continuous innovations and advances with greater firm faith than ever in the justness of their cause and in the hopeful future of their fatherland.

The great leader Comrade Kim Il-song has taught: We should struggle in the future with overflowing faith and optimism in the face of any difficulties, seeing the bright future, while the party trusts the people and the people trust the party, so that they can bring the sacred chuche revolutionary cause to perfect completion.

Faith in victory and revolutionary optimism are the ideological source that gives birth to new miracles and innovations and heroic exploits. The high revolution-mindedness and the indomitable fighting spirit and firm will which the communists and the people exert in the stern class struggle and grand economic construction struggle come from faith in victory. Without faith in sure victory, no one can firmly tread along the arduous revolutionary road or fulfill his noble mission before the party and the revolution.

Today our people should make continuous innovations and advances with overflowing faith and optimism, for this is an important requisite to firmly defending, adhering to, and endlessly adding luster to our most superior chuche socialism.

In the international arena at present, a serious confrontation and struggle are under way between socialism and imperialism and between progressive and reactionary forces, and the U.S. imperialists and the South Korean puppet clique are engaged in all sorts of maneuvers to defame the authority of our Republic which is highly exalting the superiority of socialism. In this situation we cannot loosen the revolution-mindedness. We should struggle more vigorously with faith in sure victory.

Today, the faith our party members and working people should deeply cherish is the conviction that they can bring the chuche revolutionary cause to perfect completion in the face of all trials when they advance firmly rallied around the party and the leader under the slogan of single-hearted unity. It is also the confidence that they can reunify the fatherland by all means under the banner of independence, peaceful reunification, and great national unity and build a reunified, prosperous, strong, independent, sovereign state without fail.

When all our functionaries, party members, and working people wage struggle vigorously with this firm conviction, there should be no fortress that we cannot occupy, rather we can create amazing miracles in all fields of socialist construction, including those of economic construction, science, and technology. Above all, we should take great pride in building the most superior socialism under the wise leadership of the party and the leader.

Our socialism which the respected and beloved leader Comrade Kim Il-song built and which the dear Comrade Kim Chong-il adds luster to is the most superior socialism which is man-centered and in which the chuche idea is embodied. It is socialism of the greatest solidity and vitality, which does not lose its vigor in the face of any trials.

We should make ourselves deeply aware of the goodness and mightiness of our country's socialism, not only theoretically, but also through our actual lives. All party members and working people should never regard as ordinary the proud reality of our society which they enjoy, such as independent political life, sound material and cultural life, free compulsory education, and free medical treatment, and freedom from unemployment and taxation. They should clearly know that the life they enjoy is the most valuable life, not available in any other society.

In particular, all party members and working people should never for one moment forget the fundamental reason why our socialism victoriously advances without the slightest deviation or swerving and why the entire society enjoys harmony and all the people enjoy stable and rewarding lives even in today's situation in which the antisocialist maneuvers of the imperialists and all sorts of reactionary forces are being stepped up in an unprecedented manner. They should always cherish deep in their hearts gratitude to the party and wage a persistent struggle to realize the tasks given by the party.

The working class and the working people, including peasants, should take great pride in following our party's consistent line of building socialism and in a bold manner wage a production and construction struggle, and our intellectuals should take pride in being intellectuals who contribute to building the most superior socialism, the true popular mass-oriented socialism and effect a new upturn, joining their strength with the masses, in the struggle to develop education, literature, art, science, and technology.

For party members and working people to highly exert the ethos of making continuous innovations and advances with overflowing faith and optimism, it is also important for them to brilliantly inherit the spirit of revolutionary optimism created in the arduous period of our revolution.

The Korean revolution, which pioneered its way through an arduous and stern road, has turned out in great numbers indomitable communist revolutionaries and thorough optimists. Among them were the young communists who laid down their young lives, smiling and foreseeing the restored future of Korea during the revolution's pioneering period when victory was unpredictable; the defenders of Hill 1,211 who ruthlessly fought the enemy during the period of the fierce and difficult fatherland liberation war, improvising makeshift musical instruments and singing the revolutionary songs, believing in the party and the leader and foreseeing the day of war victory; and the working class who created numerous new standards and miracles during the difficult period of the post-war rehabilitation, highly demonstrating the revolutionary spirit of self-reliance.

All party members and working people should actively learn from their brilliant examples and should not step back or hesitate no matter how great the difficulty or task, but should create heroic exploits always with confident fighting will and indomitable spirit. By doing so, they should make the entire society bubble with revolutionary romance and militant spirit. In particular, we should wage a vigorous struggle with the same faith in sure victory that the fallen anti-Japanese revolutionary fighters had during the most difficult pioneering period of our revolution to prepare ourselves firmly as true chuche-type revolutionaries who do not shrink away when faced with the sea of blood or the sea of fire and do not change their minds in any adversity, but remain eternally loyal on the single road of the revolution led by the party and the leader.

The revolutionary struggle spirit of making continuous innovations and advances with overflowing faith and optimism can only be highly exerted when one trusts one's own strength and trusts in the might of one's fatherland and nation. Our country has now become a strong and prestigious independent sovereign socialist state, and its might has been strengthened exceedingly in all realms, including political, economic, and cultural. The numerous great monumental creations, such as the Sohae lockgate and the 1 May Stadium, which have been built in recent times according to our party's grand idea and operation, clearly show how great the might of the self-reliant economy of our country is and how strong and wise our people are.

All party members and working people should take great pride in having built with our own strength and technology the numerous great monumental creations that command the admiration of the people of the world and should be deeply aware, through this great reality, that they can create incredible miracles in production and construction when they combine their unmatched mass heroism with faith.

In carrying out all the revolutionary tasks, including economic construction, we should never permit negative attitudes and conservatism. Even though the tasks are difficult and burdensome, we should wage a stubborn struggle from a firm position and standpoint to carry them out with our own strength and technology.

In particular, our functionaries should have a correct view of the revolutionary masses, should deeply grasp our party's revolutionary work method, and should successfully carry out the difficult tasks of socialist construction, always gaining faith and courage from the strength of the masses and inciting their inexhaustible creativity.

Today, our revolution is developing to a high stage, and our socialism is demonstrating its superiority more powerfully with each passing day. Through our party's initiative and active efforts, a new phase is opened in the struggle for the fatherland reunification as well. The successful holding of the pan-national rally is clear proof of this. All this gives our people a firm belief in the justness of the chuche cause and in the bright future of the fatherland.

Our goal of struggle is clear, and we have the wise leadership of the party and the leader and the precise line and method to bring the socialist cause to perfect completion. All party members and working people should continue their vigorous struggle with overflowing faith and optimism so that they can effect new upsurges in all fronts of socialist construction.

Hydroelectric Power Stations Boost Output

SK3008221690 Pyongyang KCNA in English 1459 GMT 30 Aug 90

[Text] Pyongyang August 30 (KCNA)—Hydroelectric power stations across Korea have sharply boosted power output by making an effective use of water and equipment.

According to data available at the Commission of Power Industry, the hydraulic power stations under it are these days topping their daily quotas 10 percent.

The Hochongang Power Station is surpassing its daily commitments 1.2 million kwh [kilowatt-hours] by rationally controlling the midway water inlet.

The Kanggye Youth Power Station is producing 168,000 extra kwh of electricity every day with the same amount of water by operating equipment at full capacity through its scientific and technical control.

The Changjagang, Pujongang and March 17 Power Stations are also going beyond their daily targets.

Meanwhile, the minor power stations in all areas are outpacing their daily quotas 30 percent.

Rally To Produce More Forklift Trucks, Tractors

SK3008021690 Pyongyang Domestic Service in Korean 2300 GMT 24 Aug 90

[Text] To thoroughly carry out the recent teachings of the great leader Comrade Kim Il-song and to produce more advanced tractors, a joint rally of employees of the 25 September forklift truck plant and functionaries of other plants related to tractor production in South Pyongan Province was held on the spot yesterday.

The rally was attended by Comrade So Yun-sok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea, responsible secretary of the South Pyongan Provincial Party Committee, and chairman of the South Pyongan Provincial People's Committee; and functionaries concerned; together with functionaries of other plants related to tractor production in South Pyongan Province.

At the rally, a report was made by Chong Kyong-chun, secretary of the primary level party committee of the 25 September forklift truck plant. A discussion was held by Yi Hak-chon, chief technician of 25 September forklift truck plant; Han Chi-un, manager of Sunchon tire reproduction plant; Chong Yong-pok, chief of the first finishing shop of 25 September forklift truck plant; and Kim Chang- hwa, vice chairman of South Pyongan Provincial Rural Economy Committee.

Those attending the report and discussion said that at a time when the entire country is vigorously accelerating the march of the first year of the 1990's according to the party's leadership, they were holding a joint rally to thoroughly carry out the great leader's teaching. They noted the fact that the great leader Comrade Kim Il-song put forward the task of producing more advanced tractors to send them to agricultural villages, so as to more rapidly realize the general mechanization of the agricultural economy at a higher level.

They stressed that these teachings given by the great leader are an encouraging banner which spurs all of the party members and the working people of the 25 September forklift truck plant and workers and technicians of plants related to tractor production in South Pyongan Province to effect new feats in labor.

Pointing out that because of the wise leadership and great consideration of the party and the leader, the 25 September forklift truck plant has been changed into a reliable machine plant for the country, they said that the party members, working people, and functionaries were brimming over with great emotion and loyal enthusiasm, when they heard the great leader's programmatic teachings for more production of advanced tractors.

The great leader Comrade Kim Il-song has taught: To complete general mechanization of the rural economy, more tractors should be produced and sent to rural villages.

Those attending the report and taking part in the discussion raised concrete steps to firmly organize bases for producing advanced tractors and to produce and guarantee products in a timely manner, while upholding the programmatic teaching and intention of our party. They said that the workers and technicians of 25 September forklift truck plant should carry out technological preparations within a short period by notably displaying the revolutionary spirit of self-reliance and fortitude; should modernize production by producing and supplying a large number of production facilities and hundreds of instruments and equipment with their own strength; and produce more advanced tractors ever year.

They pointed out the workers, technicians, and functionaries of plants related to tractor production in South Pyongan Province—including Sunchon tire reproduction plant—should positively find out and mobilize inner reserves; vigorously launch a campaign for production and conservation; produce equipment and cooperative products needed for tractor production without fail; and positively support tractor production.

They said that they should vigorously inspire the party members and the working people to produce tractors and cooperative goods by actively carrying out political propaganda and economic agitation in plants related to the 25 September forklift truck plant. In addition, they said that they should effect a constant upsurge in production, by making management activities scientific as required by the Taean work system and by carefully carrying out economic organizational work and militant guidance.

Those attending the report and taking part in the discussion stressed that they would positively contribute to realizing the general mechanization of rural economy by vigorously launching a campaign to create a new speed of the 1990's closely related to the movement to win the Red flag of three revolutions and the movement to learn from the examples of unheralded heroes and by effecting a great upsurge in tractor productions.

At the rally, a resolution was adopted.

Corporation Produces Modern Machine Tools

SK2908151090 Pyongyang KCNA in English 1500 GMT 29 Aug 90

[Text] Pyongyang August 29 (KCNA)—Many machine tools are being produced at different industrial establishments under the Korea General Machinery Corporation.

The machine tool output this month is 20 to 30 percent above that in the same period last year.

The Huichon general machine-tool works has raised the output of Huichon-5 lathe by 30 percent while markedly increasing that of numerical control all- purpose machines. It has also raised the productivity of milling machines 20 percent up on the previous month by streamlining its production processes.

Through a dynamic mass technical innovation drive the workers of the Kusong machine tool plant are largely increasing the production of automatic lathes 10 times in efficiency as against the existing ones and numerical control lathes.

A considerable increase has been registered in manufacturing vertical drilling machines.

Innovations have been reported also from the Mangyongdae machine-tool plant, the Chongjin machine-tool plant and many other factories.

Development of Coal Machine, Calculator Reported

SK2908151790 Pyongyang KCNA in English 1504 GMT 29 Aug 90

[Text] Pyongyang August 29 (KCNA)—A large muck-sorter and an automatic calculator have been developed in Korea.

The large muck-sorter with geared rollers fully makes up the deficiency of screening by vibrating sieves.

The machine consists of feeding, crushing and screening devices. Coal and muck screened twice are graded again after being crushed at the intermediary process. The machine can markedly improve the grade and quality of coal and double the production capacity as compared with vibration muck- sorter.

It was developed and manufactured by technicians of the Pyongyang coal-mining machine factory.

The automatic calculator made by the Pyongchon automation apparatuses factory is able to automatically calculate all the fluids.

It correctly measures the quantity, heat and pressure of substances flowing through pipes.

Its calculating capacity is nearly double the existing one.

'Efficient', Inorganic Paint Keeps Ships Clean

SK3008100790 Pyongyang KCNA in English 1003 GMT 30 Aug 90

[Text] Pyongyang August 30 (KCNA)—A new paint of great national economic value has been invented and introduced in Korea.

This paint, chiefly based on home-rich raw materials, is a complete inorganic substance, poison-free and highly efficient in resisting rust and dirt.

The invention of this paint has fully resolved the problem of keeping seaweeds, clam shells and other forms of sea life from sticking to the bottom and hull of a ship with non-toxic matters.

It is more efficient in resisting rust and dirt than paints of organic substance. It can last for scores of years after being painted.

Several ships coated with this paint eight years ago still goes clean.

Poison-free, it is easy to handle and does not contaminate the sea water or do harm to the biological resources.

With this paint you can coat an area 70 percent more than that done with the same amount of a paint of organic substance.

When this paint is applied instead of those of organic substance now in use in different branches of the national economy, it will annually save bean oil by tens of thousands of tons.

This paint was invented by Kim Kyu-hyong of Munsu gemworking factory in Pyongyang and Choe Chae-yun of the Cultural Conservation Institute. They are husband and wife.

South Korea

Further Reportage on Efforts To Hold N-S Talks

No Tae-u To Meet North's Yon

SK3108085490 Seoul TONG-A ILBO in Korean 31 Aug 90 p 1

[Excerpt] [passage omitted] The North side's delegation led by Premier Yon Hyong-muk is scheduled to pay a courtesy call on President No Tae-u at Chongwadae at 1600 on 6 September. Also, on 5 September, the delegation will tour Namsan Tower and Shinsegae Department Store and will attend a banquet arranged by the mayor of Seoul, and on 6 September, will tour the Central National Museum and will attend a banquet arranged by the speaker of the National Assembly. [passage omitted]

North's Delegates Profiled

SK3108055090 Seoul YONHAP in English 0255 GMT 31 Aug 90

[Text] Seoul, Aug. 31 (YONHAP)—Most of the seven North Korean delegates to the inter-Korean high-level talks are described as second-generation revolution offspring and confidants to Kim Chong-il, son and heir apparent to President Kim Il-song. Vice Defense Minister Kim Kwang-chin is the only exception in that he is a contemporary of the elder Kim as participants of the "partisan war."

Following are profiles of the seven northern delegates.

* Yon Hyong-muk, prime minister: Born in North Kando adjacent to North Korea's northeastern provinces in 1925, he majored in science and engineering at Kim Il-song University and studied metal, mechanical, electric and electronic engineering at Ural Institute of Engineering.

A leader of the "second generation revolutionary force," Yon is said to be very close to Kim Chong-il. He is ranked sixth in the ruling Workers (Communist) Party and is a member of the party Central Committee, the party Political Committee, the Supreme People's Assembly and the central People's Committee.

He plays a key role in promoting North Korea's economic cooperation with foreign countries. He accompanied Kim Il-song on an East-bloc tour in May 1984 and with his on-the-scene analysis of the Eastern European reform he later tried to launch economic reforms in the North.

He emerged as the top architect of North Korean economy in 1985, when he was named first vice premier and chairman of the Administration Council's Metal and Machine Industry Commission. On Dec. 12, 1988, he was named premier, succeeding Yi Kun-mo.

Yon almost disappeared from the corridors of power in 1977, but returned as a member of the Political Bureau and secretary of the Workers' Party largely owing to the support of Kim Chong-il.

The bespectacled man is said to be always smiling and is kind to people. He plays tennis and table tennis, and is a movie fan and an avid reader.

Married to Kim Song-suk, a relative of Kim Il-song, he has two sons and two daughters. One son studies in the Soviet Union and the other at Kim Il-song University. The eldest daughter is married to Kim Chong-yon, an instructor at the Workers Party Central Committee.

* Gen. [General] Kim Kwang-chin, vice minister of the People's Armed Forces, was born in Manchuria in 1918. He studied at schools in Manchuria and the Soviet Union. In July 1970, he became chief of the artillery corps and was promoted to artillery commander in 1972 and to missile commander in 1977.

He gradually became known after 1980, when he was made an alternate member of the Workers Party Central Committee. He became a representative of the Supreme People's Assembly in February 1982 and in 1985, when Kim Chong-il promoted nine high-ranking officers close to him, Kim Kwang-chin became a general and awarded a Kim Il-song medal. In August the same year, he was named to his current position.

In May, Kim Il-song reshuffled the party and cabinet. He named the "first generation revolutionary force" to important positions to strengthen Kim Chong-il's grip over the military. At that time, Kim Kwang-chin was appointed to the Central People's Committee's National Defense Committee.

He was married to a Soviet woman but divorced in 1959 and his current wife's name is unknown.

* Maj. Gen. [Major General] Kim Yong-chol, 46: Born in northern Pyongan Province, he graduated from Mangyongdae Revolutionary School.

He was first known to South Koreans as a liaison officer on the Military Armistice Commission in 1968. Since February last year, he has been a delegate to the preliminary contacts for the Sept. 4 premiers' talks.

Though he is just a deputy director-general at the People's Armed Forces Ministry, he is expected to play a substantial part in the talks.

* Kim Chong-u, vice minister of external economic affairs: Born in Yanggang-to in 1942, he graduated from Kim Il-song University's Department of Economy in 1971. In 1980, he was named to his current position. In 1982 he visited Bulgaria for talks on economic-science cooperation and in 1983 he led a North Korean economic delegation to the Soviet Union. He visited Italy and Hungary in 1986 and Switzerland in January last year.

* Paek Nam-chun, Administration Council counsellor: Paek is well-known in South Korea as the chief delegate to the preliminary contacts for the premiers' talks. He has participated in the six rounds of South-North Korean Red Cross talks since he was named vice chairman of the Korean Committee for Cultural Relations with Foreign Countries in 1972. He visited Seoul in May 1973 as a delegate to the sixth inter-Korean Red Cross talks.

In September 1984, he visited freedom village in the South of the truce village of Panmunjom as the leader of the North Korean delegation delivering flood aid to the South. It was just after he was named to the Standing Committee of the North Korean Red Cross.

* Choe U-chin, ambassador-at-large and vice director of the Institute on Arms Reduction and Peace: Choe, 57, is expected to have a substantial role in discussions with South Korea along with Maj. Gen. Kim Yong-chol.

A graduate of Kim Il-song University, he was ambassador to Ghana in 1978. From February-November 1989, he participated in the four rounds of preliminary contacts for inter-Korean military talks.

He was appointed a deputy director-general at the Foreign Ministry in 1987. He attended the 42nd United Nations General Assembly and in 1988 became a director-general. In June 1990, he attended an academic conference on arms control in Northeast Asia at Stanford University in the United States.

* An Pyong-su, director of the Committee for Peaceful Reunification of the Fatherland: The 60-year-old An has a doctorate in philosophy from Kim Il-song University

He made his debut in inter-Korean contacts in December 1973 and attended the fifth inter-Korean parliamentary talks in October 1988. An guided the Rev. [Reverend] Mun Ik-hwan during his Pyongyang visit in March last year. In June last year, An welcomed Yim Su-kyong, a South Korean student now serving time for her unauthorized visit to Pyongyang, at Sunan Airport in Pyongyang, and in August he issued a statement calling on South Korea to allow Yim to cross through the truce village of Panmunjom.

Newspaper Examines Prospects

SK3108020890 Seoul THE KOREA TIMES in English 31 Aug 90 p 2

[By staff reporter Kim Chang-yong]

[Text] The prime ministers' talk, to be the highest-level contact between South and North Korea, is of great significance in an of itself. Such a dialogue never before had been arranged between the two halves of the peninsula which fought a bitter war and thus far remain foes.

The talk is highly symbolic now that the Kim Il-song regime, which has claimed sole legitimacy against the United Nations' recognition of only the South, abandoned its reluctance to formal contacts with top government officials and came to acknowledge Seoul as its dialogue partner, observers say.

The prime ministers have functioned as the highest regular channel with regard to reunification, free travel and other issues involving both sides. The Seoul meeting will set the tone not only for the expected sessions to follow but for overall South-North relations, if not an immediate break-through in the longtime stalemate, the observers noted.

"The prime ministers' talk will no doubt contribute to the reduction of political and military tension and promotion of economic and human exchanges to a certain extent as their agenda suggests. It comes too late but comes amid pressing demand for smooth progress," a North Korea watcher here commented. The South spends about 6 percent of its GNP in military build-up. Despite sluggish economic performance, the North allocates over 20 percent to add strain to the already heavily charged borders.

Seoul has mapped out comprehensive steps to support the sagging North Korean economy through joint ventures and financial assistance, and will present them in the prime ministers' meeting, according to government officials. There is a high possibility that the prime ministers' talks, if repeated regularly in Seoul and Pyongyang alternately, would eventually lead to a meeting between President No Tae-u and Kim Il-song which the South has long sought after.

Seoul's scheme is that No will informally meet North Korean Prime Minister Yon Hyong-muk this time to convey his intention for the summit and will have his prime minister Kang Yong-hun pay a courtesy call on Kim In Pyongyang in the second session to pave the way for the summit. Officials preparing for the talk say that the South will play a big brother role and positively accept the North Korean position to make it a success.

Yet the prospects for the talk are not as bright as they may seem, for both sides lay focus on different points of the agenda—the South on the economic issues and the North on military issues. They are still showing striking contrasts in their postures on such delicate issues that have remained untouched for the past four and a half decades.

The first stumbling block will be the North's argument that South Korea's moves to join the United Nations independently will impede reunification. Paek Nam-chun, the North Korean chief delegate to the preliminary talks for the high level conference, warned that any move by Seoul to join the world body and "beggar diplomacy" for the establishment of relations with the Soviet Union would adversely affect the talk.

Similar warnings have been repeated through North Korean propaganda and in a letter by North Korean Ambassador to the UN Pak Kil-yon to the UN Security Council chairman arguing that the alleged South Korean military beef-up might "spoil" the scheduled talk. Seoul has been poised to apply for the UN membership as early as this fall unilaterally if the North remains reluctant to do so simultaneously.

On grounds that the North would try to foil Seoul's bid for the UN seat, Seoul officials believe that the prime ministers' talk will be held at least twice, whatever difficulty they may face in the first round. The second meeting is scheduled for the middle of October in Pyongyang. By talking about the UN issue at the prime ministers' talks, the North will be able to check the South from submitting an application for the membership this time, an issue which Paek billed as "most urgent."

South and North Korea have other good reasons for convening of the high-level meeting. Without rapprochement with the North, the South will find it harder to persuade the Soviet Union and China to accept its standing proposals for the normalization of formal ties. The No administration aims at making a turning point in inter- Korean relations and boosting its political stature in the domestic and international theaters by holding the No-Kim summit.

North Korea must demonstrate its efforts to ease tension in a bid to approach the United States which has set Pyongyang's dialogue with Seoul as a precondition for better ties with the communist North.

Government Expells American AIDS Victim

SK3108021290 Seoul THE KOREA TIMES in English 31 Aug 90 p 3

[Text] An American was expelled from the country Wednesday after he tested positive for the AIDS virus, the Ministry of Health and Social Affairs, said yesterday.

The man whose identity is withheld under the law is the second person to be deported from the nation so far this year because of infection with the human immunodeficiency virus (HIV), which causes the killer disease. An official of the ministry's Preventive Medicine Division said the foreigner arrived in Korea on a sightseeing tour last June 10.

Health authorities were investigating any persons who had sexual contact with the alien, said the official, adding that he had visited Korea four times in the past. He reportedly went into hiding after he was confirmed as "sero-positive" while undergoing treatment for his tonsils at the Asan Medical Center in Seoul.

Currently, foreign entertainers and athletes wanting to stay for 91 days or more to make money are required to take an AIDS test. But aliens are exempted from the mandatory HIV-screening if they are accompanied by their spouse. The number of Koreans infected with the HIV has topped 100, according to official figures.

* U.S. Trade Practices Criticized

902C0266 Seoul MAEIL KYONGJE SINMUN in Korean 29 Jun 90 p 3

[Article by reporter Sim Hong-sop: "Litigation on Trade Friction Increases Greatly"]

[Text] As more legal problems arise regarding South Korea and U.S. trade relations, legal battles are frequently brought before the court of law.

Since the open trade policy became effective, there have been more commercial lawsuits and disputes among industries.

The trade commission at the Ministry of Commerce and Industry has recently begun to investigate allegations that Du Pont and Hoeschst Celanese Corp of the United States are dumping polyacetal resin, one of the raw materials for electronic parts, at unfairly low prices. It is interesting to note that Du Point has hired a law firm in South Korea to represent its claim of unfair treatment.

The South Korean company that reportedly made the accusation, Korea Engineering Plastics Co. has been in business since last year and has been successfully producing large quantities of polyacetal resin. On 19 May, it appealed to the Ministry of Commerce and Industry that domestic productivity was suffering because Du Pont and Celanese of the United States, as well as Japan's Asahi Chemical Co., were dumping 30 to 90 percent of polyacetal resin demand in the South Korean market. The Ministry of Commerce and Industry has decided to investigate and analyze the matter by 15 July. If the result of the investigation warrants it, the Ministry of Commerce and Industry will ask the Ministry of Finance to apply dumping penalties to these companies.

Du Pont has hired the law firm of Kim and Chang while Celanese has hired another attorney, Mr Kim Chan-jin; these lawyers specialize in international trade relations.

The U.S. companies are hoping to prove that Korea Engineering Plastics' claim is not true.

Mr Yi Chung-hoon, an attorney, is representing the plaintiff, Korea Engineering Plastics, to challenge the multinational industry regarding this matter. Attorneys on both sides will submit their cases to the court. Since this is the first case involving dumping in the domestic market, businesses within as well as outside the country are watching with interest.

Besides lawsuits involving industrial damage, incidents of legal wranglings between industries are rapidly increasing.

Recently K Company, which imported steel plate cutters from Delta Brand Company of Texas, has brought a lawsuit against Delta Brand, alleging that the equipment it received from Delta Brand does not meet the standard written in the contract. K Company says that the performance of the machinery is poor and that Delta Brand is refusing to provide "follow-up service." It is known that D industry, an industrial conglomerate, is also involved in a similar situation.

Delta Brand Company in turn has chosen an attorney to defend the case.

Ever since Delta Brand started trading with Korean industries, there have been frequent disputes regarding its "follow-up service." And the South Korean industries which have been negotiating trade with U.S. companies are watching the outcome of the K Company versus Delta Brand lawsuit with keen interest.

K Company is reported to have switched its policy of trading with Japan to the U.S. company in response to the government's preference for purchasing machinery from the United States. The result of the litigation is expected to influence the government's policy on equipment purchase.

Mr Yi Chung-hoon of Joint Pacific Law Firm explains, "There are many lawsuits of this sort because equipment imported from the United States frequently fails to function." He says this type of litigation, if taken up in the United States, has little chance of winning and, even if the case wins in South Korea, it is not easy to carry out the verdict satisfactorily in the end.

Mr Yi says, "Even when goods are exported from our country, our industries are at a disadvantage if the United States intends to sue." He goes on to say, "A typical example is a case involving infringement of patent or brand-name rights."

Mr Yi also says that up to now our industries have been subjected to frequent legal abuses by foreign companies and that it is about time our industries face up to these problems and deal with them in the court of law.

In reality, our exporting industries are frequently dismayed by the U.S. industries' accusations that our industries are unfair.

There are some legal decisions pending with regard to our export industry. Knowing full well that the final verdict on the matter will influence the outcome of negotiations, the U.S. buyers are delaying new orders of shipment from our industry.

A case in point is the U.S. semi-dumping lawsuit against our synthetic fiber sweater industry.

The U.S. garment industry's knitwear workers' union made an accusation last September that South Korea, Hong Kong, and Taiwan were semi-dumping sweaters in the U.S. market. ITC (International Trade Commission) awarded a preliminary verdict of damage by the Asian industries to the U.S. industry. The final verdict is expected in July.

In this process, our industries hired the law firm of Stepto-Johnson, Sydney-Austin, and Reid-Priest.

Fifteen companies, including Hanil Synthetic Fiber Corporation, have been engaged in the legal battle, spending about $3 million. The U.S. buyers are delaying the new shipment order until they know the verdict.

Every time a U.S. industry makes such irresponsible accusations of dumping or industrial damage, domestic industries have difficulty meeting the demand of new orders received.

Especially when U.S. industries make accusations on brand-name and patent rights violations, the U.S. customs office refuses to grant clearance.

Legal abuse can frequently occur under the U.S. system. Since our country does not have equivalent laws to counter the legal abuses by U.S. industries, our industries are left defenseless most of the time.

It is about time that our country prepares to meet international trade disputes with better legal means and system.

Siberian Timber To Offset Shortage From Embargo

SK3108061990 Seoul YONHAP in English 0507 GMT 31 Aug 90

[Text] Seoul, Aug. 31 (YONHAP)—Logging in Siberia will give South Korea enough timber to offset the shortage created by the Aug. 20 U.S. timber embargo, industry observers said on Friday.

Hyundai Business Group will send logging equipment to the Soviet Far East port of Svetlaya next month and expects to receive its first delivery of Soviet timber by the end of the year. Hyundai will also send equipment to build roads and housing for woodcutters, they said.

The Soviet timber will be mostly fir, spruce, larch and pine, the same as Korea had imported from the United States. It is expected to make up for the shortfall that raised timber prices over 20 percent when the U.S. Government banned exports to protect the near-extinct speckled owl.

From the Oregon and Washington States, Korea purchased 340.91 million dollars of coniferous timber last year, including 59.26 million dollars of fir trees, 253.2 million dollars of Douglas fir, 297,000 dollars of pine, 238,000 dollars of larch and 13.72 million dollars of spruce.

Taipei Not Against Closer Seoul, Beijing Ties

SK3008005290 Seoul THE KOREA HERALD in English 30 Aug 90 p 2

[Text] Tsou Chien, ambassador of the Republic of China in Seoul, yesterday visited Pak Yong-hak, chairman of the Council of Korea-ROC Economic Cooperation, and thanked him for his contribution to expanding economic ties between Seoul and Taipei.

Amb. Tsou, who is to leave Seoul soon after four years of service in Korea, also expressed a wish that he would be able to continue to work for improvement in the relations between the two countries after he returns home. The envoy told Pak that he is proud that the bilateral trade between Korea and the Republic of China has increased four times during his service—from $600 million in 1986 to $2.4 billion in 1990.

He was also impressed by the remarkable development Korea has achieved in various fields over the last four years, especially the improved status of the nation after the 1988 Summer Olympics in Seoul, he said. Pak, also honorary chairman of the Dainong Group, expressed concern over the increasing trade deficit of both Korea and the Republic of China with Japan and called for joint efforts between the two countries to correct the trade imbalance.

Amb. Tsou told THE KOREA HERALD later that his government in Taipei fully understands Seoul's efforts to induce peace on the Korean Peninsula through its northern diplomacy toward socialist countries and therefore, does not oppose improving relations between Seoul and Beijing.

"But I want to remind you of the close relationship we have maintained so far and ask you to remember the old friend even when you make a new friend," the envoy said. He said close cooperation between Korea and the Republic of China is necessary not only for improvement in bilateral relations but also for development of the Asia-Pacific region.

As an economic power in the region, the Taipei government wants to join the Asia-Pacific Economic Cooperation (Apec) forum, the ambassador said, adding that his government is not against the admittance of Beijing to the forum. Amb. Tsou will leave Seoul Sept. 7 after the 23rd session of the Korea-ROC Economic Ministerial Conference to be held in Seoul today through Sunday.

Hyundai, Daewoo Awarded Contracts in Japan

SK3108022990 Seoul YONHAP in English 0137 GMT 31 Aug 90

[Text] Seoul, Aug. 31 (YONHAP)—Daewoo Corp. and Hyundai Engineering and Construction Co. have won 145 million U.S. dollars of construction orders in Japan, officials at the Construction Ministry said Friday.

Daewoo won three contracts worth 118 million dollars on Wednesday to build a warehouse in Osaka and a country club for a golf course, and Hyundai is to build a shopping center and parking lot worth 27 million dollars in Tokyo.

Top Asia-Pacific Prosecutors To Meet in Seoul

SK3008122790 Seoul YONHAP in English 1214 GMT 30 Aug 90

[Text] Seoul, Aug. 30 (OANA-YONHAP)—Top prosecution officers from 21 Asia-Pacific countries will form a new cooperative group to fight drug problems and international crimes and adopt a peace declaration during a conference in Seoul next week.

Participants to the Second Conference of Attorneys General of the Asia-Pacific Region Sept. 3-6 include Soviet Procurator-General Alexander Z. Sukharev, U.S. Attorney-General Dick Thornburgh and their Japanese counterpart Eiichi Kakei, organizers said. South Korea will also sign an extradition agreement with Australia during the conference, they said.

Attending members will discuss drug problems, investigation methods, international cooperation and extradition arrangements during the Seoul conference. They are also to form a new association of chief prosecutors of the Asia-Pacific region on the last day of the meeting to promote global cooperation. They will also adopt a "Seoul declaration" to show their support for peace on the Korean peninsula, organizers said.

South Korean Prosecutor-General Kim Ki-chun will sign an extradition pact with his Australian counterpart Michael Duffy during the conference, they said. Extradition was first introduced to Korea in August 1988. Soviet participant Sukharev, appointed to the post in June last year by President Mikhail Gorbachev and a staunch supporter of perestroika, is reportedly the highest ranked Soviet official to come to South Korea, according to prosecution officials.

Thornburgh from the United States will present "countermeasures against drug traffic" while Duffy will address "international cooperation in investigation prosecution and extradition." South Korean presenters include Public Prosecutor Kim Hyong-pyo and Senior

Chief Public Prosecutor Hahn Yong-sok. The first conference was held in Sri Lanka in 1984 with 13 countries attending.

Libya Informs Government of Envoy's Departure

SK3108050990 Seoul YONHAP in English 0458 GMT 31 Aug 90

[Text] Seoul, Aug. 31 (YONHAP)—The South Korean Government has been officially notified that Libyan Ambassador' Abd al-Hamid Farhat has returned to Libya, the Foreign Ministry said on Friday.

Ministry spokesman Chong Ui-yong said the Libyan Embassy in Seoul notified the Ministry on Thursday afternoon that Farhat had returned home on leave as a revolution day reception was cancelled due to the Gulf crisis.

"Farhat's return to Libya had nothing to do with Korean-Libyan relations," Chong said. Farhat left Seoul on Wednesday without notice, though it is customary for diplomats stationed abroad to notify the host government of their travel plans.

Company Signs Contract for Saudi Arabian Oil

SK3108012890 Seoul YONHAP in English 0052 GMT 31 Aug 90

[Text] Seoul, Aug. 31 (YONHAP)—Ssangyong Oil Refining Co. of South Korea has signed a long-term contract with Aramco, the state-run oil company of Saudi Arabia, for the delivery of 60,000 barrels of crude a day.

The contract, Ssangyong's first outside Iran, takes effect on Saturday. The price is 35 U.S. cents a barrel above the monthly average of Dubai light and Oman light on the spot market. Ssangyong needs the oil for its No. 2 refinery, which is scheduled to be dedicated in the winter. The contract is expected to help stabilize Korea's oil supply, which was shaken by the Gulf crisis.

PPD Protests 'Malicious', 'Biased' KBS Show

SK2808021490 Seoul THE KOREA TIMES in English 28 Aug 90 p 2

[From the "Press Pocket" column: "Malicious TV Show"]

[Text] The opposition Party for Peace and Democracy [PPD] yesterday lodged a protest with the KBS [Korean Broadcast System] TV for airing a "malicious and biased" talk show on Saturday night.

The protest was served by a delegation led by Rep. [Representative] Cho Se-hyong, chief policy-maker of the PPD, who visited the state-run broadcasting station. After a meeting of standing advisors and top party leaders, PPD spokesman Kim Tai-sik denounced that KBS was [had] deliberately invited "anti-PPD figures" to the talk show.

The panelists on the talk show included Hon Sa-tuk, a political commentator and vice president of the Democratic Party: Prof. [Professor] Kim Tong-kil of Yonsei University; businessman Pak Un-tae, lawyer Kim Sang-chol and journalist Choe Si-chung. The talk show was to discuss how to break the current political impasse in the backwash of the resignation of opposition lawmakers en masse.

Spokesman Kim complained that the participants skipped an explanation of the reason the opposition quit the National Assembly and passed the buck for the political crisis to the PPD. He also grumbled that the panelists zeroed in on PPD president Kim Tae-chung, arguing that the "three Kims," should leave politics.

"The talk show was a malicious and biased program and undermined the efforts for an opposition merger and the PPD," he said. Kim added, "The program testified to the (government's) scheme to control the broadcast media which was shown in the amendment to the Broadcast Law that was railroaded through the House by the ruling camp last July." He demanded that the government and the broadcast organization make a public apology and president of the KBS So Ki-won resign.

Pak Chol-on Announces Candidacy for Parliament

SK3108015890 Seoul THE KOREA TIMES in English 31 Aug 90 p 2

[From the "Press Pocket" column: "Pak's Plan"]

[Text] Rep. [Representative] Pak Chol-on, a key confidant and relative of President No Tae-u, made it clear yesterday that he will be a candidate in a local district of his home city of Taegu in the next parliamentary elections.

However, he indicated that he will not vie with Kim Pok-tong, elder brother of First Lady Kim Ok-suk, who he said is seeking to run in Tong (East) district of the southeastern city.

Pak, a 48-year-old former prosecutor, was elected to the National Assembly in 1988 from the national constituency under the proportional representation system with a ruling party ticket. He told reporters yesterday that Kim Pok-tong told him three weeks ago that Kim, a classmate at the Korea Military Academy and brother-in-law of President No, hopes to run in the east district, where the President was born.

* Cabinet System Debates Tied to Power Struggle

902C0227A Seoul WOLGAN CHOSON in Korean No 6, Jun 90 pp 134-143

[Article by Paek Hwa-chong, political reporter for KUKMIN ILBO: "The Stormy Course of the Constitutional Amendment for Cabinet System"]

[Text] **Constitutional Amendment Now a Virtual DLP [Democratic Liberal Party] Consensus**

Debates on amending the constitution for a shift to a cabinet system that had been on and off, and on again like a mirage, have finally taken on some visible substance, unveiling the configuration of the nation's political sphere.

The DLP at its national founding convention on 9 May revised the first section of its platform [of the DJP (Democratic Justice Party) days], which said that the [DJP] "embodies mature political culture," to read: the party "embodies parliamentary democracy in which the parliament and the cabinet share responsibility." Thus, in fact DLP put it forth as the party consensus to seek the constitutional amendment for the cabinet system.

In fact, the amendment debate faded out briefly following the 29 June [1987] declaration [issued by No Tae-u, then DJP presidential candidate]. But it came back in the summer of 1988, right after the start of the Sixth Republic, in the wake of controversial remarks made by then DJP Chairman Yun Kil-chung and Kim Chong-pil, then NDRP [New Democratic Republican Party] president, during their separate overseas tours. Since then, it had remained a persistent topic, discussed not only by influential figures of the ruling camp but by opposition leaders as well, including Kim Tae-chung and Kim Yong-sam, whenever they had an opportunity to do so. Consequently, in a sense it would prompt people to question why now anew.

However, amendment debates in the past were not practical ones and, in that sense, mainly played the role of a feeler to explore the mood of various circles. But this time it is the DLP—which now has enough seats in the National Assembly to have the amendment bill go through if it decides to do so—that has manifested its policy to seek parliamentary government system in its platform. This fact has created a new issue different from cabinet system debates in the past.

Now the ruling camp has established its basic direction and all that is left to be done are such practical but strategic matters as internal adjustments within the ruling camp, negotiations with the opposition, planning for public relations and a national referendum and choosing of the time.

There is no guarantee, however, that the constitutional amendment will succeed in the near future and a Seventh Republic based on cabinet system government will come into being as soon as President No Tae-u's term comes to an end.

Although this is a fact perceivable from the general political trends in this country, a glance at the course the DLP had followed to formally establish the party position on the amendment and at the complex, entangled factional interests within the party makes the picture even clearer.

Was There "Amendment for Cabinet System" Accord?

In political quarters, it had been a virtually accepted view that at the time of the 22 January merger of the DJP, the RDP [Reunification Democratic Party] and the NDRP there had already been a so-called secret accord about the supreme power between No Tae-u and the two Kims providing for shift to cabinet system by the constitutional amendment and for rotating power among the three factions under the new constitution.

Despite the repeated denials by people directly involved, the feud triggered by a remark made by Pak Chol-on between the DJP and RDP factions led to allegations about the existence of a memorandum dealing with the supreme power. And again in the process of the party platform revision at the national convention, the alleged existence of a secret accord on the constitutional amendment for cabinet system were virtually confirmed through various routes.

In the platform revision process, Kim Yong-hwan, chairman of the party Policy Board, formerly of the NDRP, who formally presented the proposed revision to the convention, confirmed that the change is based on an agreement between No and the two Kims at the time of the party merger by explaining it as "a reflection in the platform of the passage in the 22 January declaration of the three-party merger that we will 'create a political system and political culture that suit us.'"

Minister of State Kim Yun-hwan and DLP Secretary General Pak Chun-pyong, both DJP men, also explained the change as "the first step toward a cabinet system" and "establishing the party platform for a cabinet system" respectively, while Pak Tae-chun, member of the party supreme council, made clear that "I understand that the three persons agreed at the time of the party merger on shifting to a cabinet system."

Only people of the RDP faction like Kim Tong-yong, floor leader, and Kim Tok-yong, member of the Executive Council, backpedaled somewhat by saying that "the revised platform is not necessarily a pledge for the constitutional amendment for a cabinet system." Nevertheless, they were sitting on the fence when they said: "We don't mean to say, however, that the constitutional amendment for a cabinet system is impossible. The door has just been opened to a debate and that is about all there is to it."

At a DLP Executive Council meeting that approved the platform revision plan, YS (Kim Yong-sam), a man in the center of the issue, responding to questions by other factions seeking his confirmation of that point for a variety of reasons, said: "In view of the sensitivity of the issue, let us take it just as is said in the text." He was banging the gavel but refused to state his own position about a cabinet system to the end.

In connection with YS' attitude, Secretary General Pak Chun-pyong, who defined the platform revision as establishing the party position for a cabinet system, gave an expanded explanation by saying that "when the work was under way on the revision, we sent YS reports on it on two occasions and YS raised no objections to it at all."

In political quarters, there are two divergent opinions as to the form and substance of the alleged accord between No Tae-u and the two Kims concerning the constitutional amendment, each reflecting his respective position.

First, the DJP and NDRP factions maintain that the so-called memorandum of No and the two Kims clearly state their agreement to push for the constitutional amendment for a cabinet system.

The position of the RDP faction is somewhat different. At the time of the party merger, while President No Tae-u and CP (Kim Chong-pil) tried to have a pledge to seek the amendment for a cabinet system included in the memorandum and the merger declaration in black and white, YS rejected it in a roundabout way, saying that "there is nothing we cannot do if we deal with problems in the same spirit as at the time of the merger." Thus came the wording "political system and political culture that suit us" in the platform, they insist.

There is indeed a difference between the two sides over whether it was spelled out or just implied but, whichever is right, it is difficult to deny that there was an accord between No Tae-u and the two Kims on the constitutional amendment for a cabinet system.

Reason for Spread of "Memorandum on Supreme Power" Allegations

Then comes the question why all that feud in recent months when No and the two Kims, particularly No Tae-u and Kim Yong-sam, should have cooperated now that they had reached an accord on a basic scenario on the future government of the Republic of Korea including the power relationship and the amendment for a cabinet system.

In a nutshell, the answer to this question can be that it is a feud caused by distrust between them—and by an assumption of a hypothetical third situation stemming from it.

In other words, the fear of President No's side of eclipses in its power and the YS side's anxiety over uncertainty of its position worked on each other to progressively aggravate the situation in a bad direction.

From President No's perspective, he cannot but worry that if it should become clear that YS is in as his successor, all would be rushing toward the YS side, leaving President No Tae-u a lame duck and a puppet even before he arrives at a half-way mark of his term.

From the first day of his term, No Tae-u could not fully exercise his will as president, not even once, because of the fact that his party was a minority in the National Assembly. It would be simply intolerable for him to see a successor come into the scene to virtually set the stage for transfer of power at this point of time when he has just secured the foundation of his rule by securing a majority party through the political realignment.

Therefore, it was necessary for him to conceal the scenario on the next government in a veil of mystery. To that end, it could have simply been too natural in the political climate of this country for him to try to restrain YS, who was bent on showing himself as the next power holder.

On the other hand, as far as YS is concerned, he could not but fret about his standing amid the political developments since the three-party merger. In fact, the merger immediately spawned observations in political quarters, rather malicious ones, that YS reduced himself to a prisoner of war of the No Tae-u camp to lose both his spot as a presidential candidate and his glory as a pro-democracy fighter.

To make it worse, during YS's visit to the Soviet Union, Pak Chol-on, then first minister of state, who is considered President No's right-hand man, made remarks cutting down on the result of the visit to a degree absolutely unexpected of him as a member of the entourage. He even went so far as to say that "once I open my mouth, YS's political life will come to an end overnight." The vituperation made it difficult for the YS side to shake off the suspicion that "indeed there is a certain kind of plot going on."

Right at that time, one of YS's political fund sources complained that he had been investigated by authorities following a meeting with YS. Also, a religious personality with whom YS had played a game of golf said that he had been questioned by an intelligence agency about his conversations with YS. All this served to deepen the suspicion.

Seized with a feeling that he may have to perish without doing a thing should the situation be left unattended, YS appeared to have made up his mind to go for a showdown with President No.

YS then went on a strike against the party, loudly demanding Pak Chol-on's resignation as part of the party effort to tighten discipline and an end to the alleged rule of intelligence and clandestine operations. He was reportedly resolved to make it a make-or-break session when he came to the fourth Chongwadae meeting held in April and had a heated exchange with President No, even banging the table in the process.

Perhaps an Overall Review of the Power Scenario Considered

It can hardly be seen as accidental that rumors began circulating then about the alleged power scenario memorandum. It should rather be viewed as a warning volley from the YS camp threatening that it could no longer play into the hands of President No's camp and therefore might as well let everything out.

In other words, in dealing with the situation, YS was determined that if President No should attempt to shake the tree after putting him on it, instead of guaranteeing him the position of next runner of supreme power as agreed on at the time of the party merger, he would have no alternative but to fight for that position, and that if that should fail, he would be prepared to break everything up even if it meant cutting each other's throat.

In fact, political quarters at the time were abuzz with rumors—unconfirmed but indicative of his state of mind—such as that YS was ready to step down and become a plain fighter or that he was studying plans to give up everything and bury himself in retirement.

Conceivably, this war of nerves between the two persons may have intensified progressively, fanning distrust of each other, even to a degree prompting both sides to give the power scenario an overall review.

However, the two persons came to feel that if they continued the head-on confrontation, it could immediately imperil the present DLP regime, not to mention the next one.

An opinion poll conducted by the Institute of Social Development, an auxiliary organization of the DLP, in April, found that public support of the DLP had slipped to a 10 percent level. It was then concluded that the infighting within the DLP was responsible for the worst approval rate in history.

To make it worse, difficulties increased in the economic, social and other areas, creating an overall crisis. Adding fuel to the fire, chaeya [reformist], student and other activist forces intensified their demands that the DLP be disbanded and the No Tae-u regime quit. The DLP thus found itself beset with troubles both from within and without.

After the throes came the judgment that if the internal troubles were allowed to continue, "it will be curtains for all." Based on that judgment, it was decided to carry out the items of agreement at the time of the three-party merger.

In other words, they struck a deal that called for President No Tae-u to arrange a DLP reserve president post for YS, and for YS to open the way for President No and CP to seek the constitutional amendment for a cabinet system as they wish. The revision of the party platform and the party constitution was the concrete result of that deal.

A look at this behind-the-scenes tug of war between Chongwadae and the YS side over the party platform and party constitution revision seems to be of great help in understanding the positions of both sides contained in the deal and measuring the prospects of the proposed constitutional amendment.

Cabinet System Conception Aimed at Prolonged Rule

President No and the DJP faction had shared the same perception from the beginning of the Sixth Republic and, for them, the political realignment through the three-party merger was a step toward what they had in mind. Namely, seeing it difficult to return the faction to power again by another direct presidential election, they had developed a strategy to pave the way for prolonging their rule by realizing by hook or by crook the constitutional amendment for a cabinet system while President No Tae-u is in office.

The DJP faction lacked a popular politician good enough to be its candidate in a direct presidential election. In addition, even if it had the advantage as the faction in power, it found it difficult under the circumstances to again put up a TK (Taegu, Kyongbuk or North Kyongsang Province) man or a former military leader as its candidate. It must have weighed these and other factors before finally concluding that the current ruling forces would all be sunk unless something was done.

Taking this situation into account, the faction chose to secure a majority of two-thirds or more in the National Assembly through the three-party merger and push for the constitutional amendment for cabinet system as a means to keep its domain and continue to have its share of power, if not the whole of it.

An observation by political quarters, which is a virtually established theory, has it that President No Tae-u, based on this strategy, promised YS the next Presidency and in return gained YS' commitment to the constitutional amendment.

However, YS's position was extremely subtle. Now, in the ruling camp that lacked a suitable candidate for the seat of supreme power, he gave his consent to the amendment plan, specifically or by implication, to keep himself in the run for that seat; nevertheless, he retained a lingering interest in the Presidency based on a direct presidential election.

The YS camp's calculations are that under the present system of direct presidential election, if continued, YS would most likely be the ruling camp's presidential candidate, and that if he should come to face Kim Tae-chung in the election, he has a good chance of winning.

Granted that YS takes the lead in pushing the amendment plan, he knows that it is not an easy thing to have it succeed considering, among other things, the fact that the present DLP has lost the support of the public.

If the cabinet system plan should fall through despite his push, YS, not to mention the DLP regime, would inevitably suffer fatal political injuries. He had to choose between the two: not push the amendment from the beginning or, should he decide to push it, carry it through to the end no matter what.

Subtlety of YS's Standing

Meanwhile, it can be said that YS is most concerned about the relationship between the planned amendment and his standing.

From YS's point of view, he must be feeling that there are no guarantees that he would not be discarded by the present ruling forces once the amendment becomes a reality.

Once the amendment is passed and a cabinet system realized, it would not be too difficult for the present ruling forces to secure a majority in the National Assembly to form the next government; even if they should fail to secure the required majority, it would not be difficult to form a cabinet by absorbing, with the lure of practical interests, other political forces. This would make it unnecessary for them to hang on to YS any longer.

One can hardly expect that YS—who is seeing through all this political reality—will readily give his official consent to the amendment plan.

Presently, of the 299 registered National Assembly members, 218 are DLP members, which is more than the two thirds required for the passage of the amendment.

However, if 19 of them should break away, it would make the passage impossible.

There is of course a measure of leeway from recruiting other opposition or independent members; however, in view of the fact that YS controls 53 former RDP members in the National Assembly, it is virtually impossible to get the amendment through if he opposes.

Evidently, YS will try to make use of this point to the full in securing his position.

He will take a negative stance toward the amendment move as long as he finds himself in a shaky position in the ruling camp; if he is to come forward to support the move, it is likely that he will first demand visible measures to be taken to guarantee him a position as No. 2 man and his candidacy for the seat of supreme power in the next government.

It was in consideration of these complex factors that YS has been withholding his final decision on a cabinet system despite the Chongwadae accord.

On the other hand, President No and CP, reading these calculations by YS, began fretting as they felt that if they continued to waver, the time would soon come to face the next presidential election before they could even take the cabinet system plan to a formal debate. They must have felt the need for having YS endorse the plan at the DLP national convention.

Thus, on 2 May President No sent No Chae-pong, Chongwadae secretary general, to see YS at his Sangdo-dong residence and ask him to endorse the party platform revision plan designed for the DLP to seek the constitutional amendment for a cabinet system. In return for his endorsement, YS gained a revision plan of the party constitution stating that "the tenure of the party president is two years."

This new tenure clause should be seen as a specification of the above- mentioned memorandum of accord on the supreme power.

The RDP faction claims that the memorandum provides for the succession of power within the ruling camp by stating that YS will take over the party presidency in 1992.

Based on it, the RDP faction had attempted in the course of the party constitution revision to have the tenure of the party president nailed down to two years but the DJP and NDRP factions opposed it.

Especially, CP—who appeared to be siding with the DJP faction in the DLP infighting and trying to get ahead of YS in the race for the supreme power—demanded that the party constitution be revised to read: "In case the incumbent president is the party president, his tenure as party president shall be through the expiration of his Presidency." This gave the impression that he was attempting to prevent YS from rising to party presidency in two years. President No Tae-u's term is through 24 February 1993.

Full Debate To Start at the May Assembly Session

Chongwadae Secretary General No Chae-pong, Minister of State Kim Yun- hwan and DLP Secretary General Pak Chun-pyong, all of the DJP faction, and DLP Floor Leader Kim Tong-yong, of the RDP faction, met on the evening of 5 May and reportedly finally agreed—on the basis of the discussion at the 2 May meeting between No Chae-pong and YS—to revise the party platform and the party constitution in the direction of accommodating both sides' demands, President No's demand for cabinet system and YS's for a 2-year tenure of a party president.

Thus, they finally began taking specific steps to fulfill what had originally been agreed on between No Tae-u and the two Kims.

After such twists and turns the DLP leadership once again agreed to work for the constitutional amendment and, in fact, declared that intention in the party platform. However, the truth is that prospects for the proposed amendment remain cloudy.

The DJP and NDRP factions, seizing on the opportunity provided by the revision of the party platform with YS's consent, are planning to put the cabinet system to public opinion through hearings and other means and to try to enter talks with the opposition party at an appropriate time.

They have worked out a timetable that calls for creating an amendment mood by the end of this year, presenting the motion for the constitutional amendment for a cabinet system in the first half of next year and finalizing it through a national referendum.

A constitutional amendment primarily requires the consent of at least the two-thirds majority in the National Assembly. Inasmuch as it will be difficult for the DLP to win the two-thirds majority in the next general election, the amendment has to be carried through by hook or by crook before the term of the present 13th National Assembly expires in May 1992.

Under the DLP plans, if the amendment is finalized, it will, under the new constitution, move to dissolve the 13th National Assembly possibly toward the end of next year and hold the 14th general election for a new National Assembly to form a cabinet system government.

The constitutional amendment, if realized, will leave the tenure of the incumbent president, which is through February 1993, as an issue yet to be resolved and, in this connection, the DLP side is reportedly studying technical problems involved to ensure that the incumbent president serves out his term.

Consequently, the full-scale debate on the constitutional amendment is likely to begin in the extraordinary National Assembly session to be convened in late May next year, either in the form of a positive push for it by the ruling camp or of a strong objection by the opposition camp.

However, in order for the ruling camp to follow the amendment timetable without a hitch, it has to overcome obstacles lying ahead here and there; if it fails to do so, there are fears that the amendment will be put to a public debate all over again.

First of all, there must be the positive participation of the internal political forces—namely, that of YS. This is a precondition.

As pointed out earlier, the amendment would become impossible for the arithmetic reason should YS and his followers rebel. And YS is still withholding public commitment to the amendment.

May Try To Persuade YS With Co-Leadership Plan

At a press conference following his nomination as chairman of the DLP supreme council, YS noted that the present situation is a general crisis, contending that "this is no time to discuss the constitutional amendment for a cabinet system." "Shifting to a cabinet system requires the approval of the people. It is not something that can be done right away by the wishes of political circles alone," he said, exhibiting an extremely negative stance toward the amendment.

In this comment, YS undoubtedly—as CP pointed out—"did not say that he will not seek a cabinet system"; at the same time, however, one can hardly deny that the implication was that he is not willing to do so.

Thus, potential developments in the amendment politics that can be imagined in connection with YS's attitude present even more complicated pictures.

The most simple, and highly possible, one is for the DJP faction to follow through with the original accord between No Tae-u and the two Kims, taking visible measures to assure YS of his position as the next runner for party presidency and supreme state power, and for YS to take the lead in the amendment move in return.

Minister of State Kim Yun-hwan said that "the RDP faction also knows what is best for its for survival and, if it should come out opposing the cabinet system, it could just be a public relations gesture, could it not?" With that assessment, he expressed his optimism that "things will after all work out in a favorable way."

The next possibility is that the war of nerves will continue between No Tae-u and YS over the power scenario and, as a result, reignite the infighting within the DLP. If that should come to pass, the DLP would be plunged into an uncontrollable vortex, making prospects for the amendment cloudy.

The DJP and NDRP factions within the DLP are reportedly even considering a drastic diagnosis calling for sidelining YS should he persist in his position against the amendment for a variety of reasons including his lingering interest in the direct presidential election, and for enlisting the cooperation of other RDP faction members and opposition legislators.

This is, so to speak, tantamount to seeking a second political realignment.

Their position is that it is indeed not an easy thing to do but not impossible either if the ruling camp makes an all-out effort.

However, if the situation should develop in that direction, it would expose the DLP to the risk of an enormous internal strife, and disintegration from within as its result. In reality, therefore, they can hardly adopt that sort of strategy.

Meanwhile, it is not impossible that the DJP and NDRP factions will come up with a so-called co-leadership system plan to persuade YS in case he continues to resist.

This observation is based on the facts that if YS should refuse persistently to discard his lingering interest in the Presidency, it would be possible to let him be president and give him the prerogative of supreme command of the armed forces and foreign policy power while CP serves as prime minister with general authority of administration.

The co-leadership system plan also has but a remote possibility of being adopted because it does not give the general public a favorable impression and, therefore, is seen as difficult to promote.

Two-Pronged Tactic for the Opposition

It is most likely that the amendment will be pushed forward in a reasonable manner on the basis of the accord between No Tae-u and the two Kims. Next comes the likelihood that the present system will be carried on—also after the severe throes have been experienced.

The YS camp seems to be wishing that the situation would take the latter course. However, if the situation should actually develop in that direction, the DJP and NDRP factions—for whom it means yielding the Presidency to YS for 5 years—would strongly react against it and, as a result, the DLP would either break up or be thrown into an equally disastrous chaos.

In the final analysis, the DJP and NDRP factions will persist in their attempt to make YS stand in the van of the ranks for the amendment while YS will keep refusing to affix his signature to the amendment plan until it becomes clear where he will be standing if the amendment is carried out, and until he ascertains that the amendment is internally the only alternative and externally a feasible plan. Thus, the tug of war will likely continue between YS and the DJP faction.

Presently, a greater concern for the ruling camp than its internal adjustment process is whether the amendment plan, when passed by the National Assembly, will survive a national referendum.

There was indeed a recent opinion poll showing the public support of the proposed amendment—which had earlier been less than 10 percent—having risen close to a 40 percent level, narrowing the gap with that of the direct election system for president. But observations have it that the approval rate for the DLP-sponsored cabinet system plan has most likely dropped sharply as the popularity of the DLP itself has plunged.

Needless to say, citing the fact that propositions sponsored by the ruling party had been overwhelmingly approved in every national referendum in the past, the DLP leadership boasts that once the amendment plan passes through the National Assembly, it will not be hard to have it approved in a national referendum. The situation is not that optimistic, however.

To make it worse, the PPD and other opposition forces have already worked out their strategies to take advantage of the anti-DLP public opinion and escalate their anti-amendment campaign into an anti-government struggle should the DLP mount the amendment move in earnest.

When seen in the light of the present atmosphere alone, there is the possibility that such strategies of the opposition camp will be significantly effective.

In response, the DLP is ready with the strategy that while forging ahead with measures to recover public trust for the government and the ruling party, it will set a full-scale amendment drive in motion after confirming that it has overtaken the opposition in terms of public support.

The DLP is also planning to work actively during the process for a bargain with the opposition although the possibility is rather low of such bargaining showing results.

In negotiations with the opposition, it is expected that the DLP will use the two-pronged tactic of persuasion and intimidation.

By persuasion as one side of it, it is meant that there is the possibility of the DLP showing plans to have the opposition party participate in administration. Also, it is quite possible that the DLP will set in motion the strategy of wooing individual opposition assemblymen one by one.

Intimidation as the other side of it means reminding the opposition party of the drawbacks if the direct presidential election system is maintained. Pointing out the historical fact that there has never been a transfer of power between parties under that system in our country, the DLP will evidently emphasize that the opposition party's attempt at the Presidency has its limitations in view of such facts as that it lacks a prominent runner for the Presidency except Kim Tae-chung, and that even in Kim Tae-chung's case, the conflicting regional public sentiments are intensifying rather than subsiding with the passage of time and there exist clearly established groups that veto him.

The opposition camp, Kim Tae-chung in particular, takes a resolute position against all those tactics; however, as time passes and the political situation changes, Kim Tae-chung may also alter his position. It is difficult to flatly deny that possibility.

Vertical Alliance, Lateral League Between No and Three Kims

Kim Tae-chung had been showing a flexible attitude until as recently as last year, saying that he was open to a debate on the constitutional amendment for cabinet system. Immediately after the three-party merger, however, he assumed a tough stand against the amendment. As the public support of the DLP plummeted recently, he started an effort to make use of an anti-amendment campaign in his strategies for the next general election and the presidential election through a tie-up with chaeya forces.

Therefore, if either the public support of the DLP gains with an improvement in the approval rate of the amendment plan—although it is rather unlikely at the moment—or if the forces currently in power should, as briefly referred to in the above, move to sideline YS and attempt a second political alignment, a dramatic development might unfold.

Even when the possibility of such dramatic developments is taken into account, it is thought that the amendment politics, expected to take on full velocity from this summer, are bound to be an extension of the same upheavals that all the constitutional amendments experienced in the past.

The reason is that it is not a situation that can be settled merely by an agreement or secret accord between political circles or by a majority vote in the National Assembly, and that the amendment plan is subjected to resistance by chaeya and activist forces and to the judgment by the people.

President No Tae-u and the DJP faction believe that they have to realize the constitutional amendment for cabinet system by hook or by crook if they are to stay in government with their share of power, while CP and the NDRP faction see shifting to the cabinet system as necessary for them too to taste power someday. And there are YS and the RDP faction who, while closely following a set of variables, are pursuing their strategies to take the helm, and Kim Tae-chung and his PPD who are devising measures to develop an anti-amendment struggle along their strategic line for taking power. It is expected that there will be a round or two of a war of brains and rivalry fought between the political leaders and forces.

In the final analysis, however, the most important of all the variables in the amendment politics is the public sentiment, the drift of which is to be determined by how well the DLP government does its job. This is indeed the most common conclusion but, for the moment, it seems to be too much of an adventure to try to draw any other conclusion beyond that in view of the current political situation that is so extremely fluid.

Dissident Refuses Trial Citing 'Suppression'

SK2508000590 Seoul THE KOREA HERALD in English 25 Aug 90 p 3

[Text] The sentencing session for prominent dissident Kim Kun-tae was delayed as he refused to appear in court, denouncing the court for its "suppression" of opposition figures.

The prosecution last month demanded seven years in jail for Kim for instigating illegal rallies and producing materials benefiting north Korea.

In a statement read by Yi Chang-pok, co-chairman of the main dissident organization Chonminnyon [National Democratic Alliance of Korea], at the Seoul District Criminal Court, Kim said he felt it unreasonable to stand trial because of the "suppression" of oppositionists. The statement denounced the court for last week's ruling in which Kang Min-chang and three other senior police officers were acquitted of charges that they tried to cover up the torture death of a student activist.

In a separate statement issued in the name of Chonminnyon, Yi noted that Cho Han-kyong and four other policemen "directly involved" in the torture death of the student, Pak Chong-chol, have not been tried for more than one and a half years since they were released on bail.

"It is totally unreasonable for Kim to be tried under physical detention in such circumstances, Yi insisted.

Government Appoints New Marine Commandant

SK3108020190 Seoul THE KOREA TIMES in English 31 Aug 90 p 3

[Text] The government has appointed Maj. Gen. [Major General] Cho Ki-yop as new ROK Marine commandant, promoting him to the rank of lieutenant general.

Gen. Cho, 54, a graduate from the Korea Naval Academy's 15th Class, has commanded a Marine brigade and division. The outgoing Commandant Lt. Gen. Choe Kap-chin will retire from military service next Monday.

Farmers Should Help Solve Agricultural Problems

SK3008010290 Seoul THE KOREA HERALD in English 30 Aug 90 p 2

[Editorial: "Salvaging Agriculture"]

[Text] Not only the farming population but all policy-makers concerned and the consuming public are profoundly worried about the outcome of the current Uruguay Round negotiations in Geneva.

The farmers' fate is bound to be heavily affected by the three-day talks of 105 nations concentrating on ways to promote free access for all agricultural and fishery products to all international markets. The inevitable trend is toward free trade in all spheres of economic activity. But its adverse impact on countries with a vulnerable agricultural base has to be minimized.

The Uruguay Round concerns many sectors other than agriculture—finance, construction and other services. It may afford some benefits to Korea in a few selected fields. The overall balance will, however, be on the negative side, particularly as far as our agriculture goes.

Local farmers' groups have made their voice heard and continue to exert pressure on the government to resist the international demand to open up Korea's agricultural market. But the external pressure is too formidable to defy. Preoccupation with industrialization and the overwhelming urban pull in the contemporary mindset of the nation occasioned erosion of agriculture and mass desertion of the rural populace here, threatening a possible collapse of farming.

The sense of uncertainty and urgency is shared by all. But few practicable remedies have been put forward by any quarters except for loud grumblings and prophecies of doom. It must be realized at this juncture that protests and rejection alone would hardly lead us anywhere. A drastic turn in the thinking and approach of both the government and the rural community is necessary to enable Korean agriculture to compete with other countries on an equal footing. A short-lived shot in the arm could not go beyond appeasing and deluding our rural communities.

Bold technical and managerial innovations should be undertaken over medium-and long-range periods to revitalize and strengthen the constitution and structure of the agricultural economy. Increased and extensive fiscal investment is called for together with dynamic and spontaneous self-help endeavors by farmers, who should join in working out grass-roots strategies for keeping enough farmhands, improving products and streamlining the distributive machinery.

Burma

Japan's Watanabe Arrives in Yangon 29 Aug

OW2908221490 Tokyo KYODO in English 1400 GMT 29 Aug 90

[Text] Yangon [Rangoon], Aug. 29 KYODO—Leading conservative Japanese politician Michio Watanabe arrived here Wednesday for a four-day fact-finding visit. Watanabe, former chairman of the policy affairs research council of Japan's ruling Liberal Democratic Party and also a former finance minister, will hold talks with Gen. Saw Maung, the Army strongman who heads the State Law and Order Restoration Council (SLORC), on Thursday.

Watanabe is the highest Japanese politician to visit Myanmar [Burma] since the military takeover of power in September 1988.

He will leave for Mandalay, 700 kilometers north of Yangon, soon after talks with SLORC leaders and also visit Pagan, the ancient capital in central Myanmar.

Watanabe is on a two-week visit to Southeast Asia, including Vietnam, Cambodia, Thailand, and Indonesia.

Meets Saw Maung

BK3008145390 Rangoon Domestic Service in Burmese 1330 GMT 30 Aug 90

[Text] Senior General Saw Maung, chairman of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma], received the visiting Japanese delegation led by Mr. Michio Watanabe, member of Lower House of the Japanese parliament, at the Dagon Yeiktha of the Defense Ministry at 0900 today.

Also present on the occasion together with Senior Gen Saw Maung were Gen Than Shwe, SLORC vice chairman; Major General Khin Nyunt, SLORC secretary-1; Maj Gen Tin U, SLORC secretary-2; Brigadier General Abel, minister of planning and finance and trade; U Ohn Kyaw, director general of the Foreign Ministry's Political Division; and Thura Aung Htet, director general of the Foreign Ministry's Protocol Department.

Accompanying the Japanese guests was Japanese Ambassador Mr. Tomoya Kawamura, Japanese ambassador to Myanmar.

Attorney General Departs for Conference in Seoul

BK3108100890 Rangoon Domestic Service in Burmese 1330 GMT 30 Aug 90

[Text] U Tha Tun, attorney general of the Union of Myanmar [Burma], and a Myanmar delegation left Yangon [Rangoon] by air this evening to attend the Second Asia-Pacific Regional Attorneys General Conference to be held in Seoul, Republic of Korea, from 2-6 September 1990.

The delegation was seen off at the airport by U Aung Toe, chief justice of the Union of Myanmar; U Khin Maung Aye, deputy attorney general; Mr. Hang-Kyong Kim, ambassador of the Republic of Korea; U Thaung Nyunt, director general of the office of the attorney general and directors; responsible personnel; and relatives.

The attorney general U Tha Tun was accompanied by Dr. Tun Shein Lin, law officer grade-2 of the Office of the Attorney General, as a member. An official from the Myanmar Embassy in Korea will also attend the conference as a member.

Karen Rebels Said Intercepting Foreign Boats

BK3108030790 Bangkok BANGKOK POST in English 30 Aug 90 p 6

[Text] Karen rebels have succeeded in gaining access to the Andaman Sea and have launched vessels to intercept foreign fishing boats and freighters passing through the sea lane under their influence, a Karen leader said yesterday.

Commander of the Karen National Union's [KNU] 10th battalion Col [Colonel] Oliver, told the BANGKOK POST yesterday that foreign vessels had been told not to pay taxes to Rangoon, but to the rebels instead. He claimed that the money paid to the Burmese Government would be used to sustain Rangoon's efforts to suppress rebel movements. "If they do not pay tax to the Burmese Government, we will not harass them," he said.

A total of 360 Thai fishing boats from five Thai companies were concessioned by Burma Fisheries Corporation to fish in Burmese territorial waters in March last year under the condition that each vessel will pay Rangoon a royalty amounting to US$600-800 per gross ton of catch. Thai fishery sources said Thai vessels were compelled to pay taxes to both Rangoon and the KNU to avoid being harassed by the two rival forces.

"Neither Rangoon nor the KNU can provide security to the fishing vessels against either of the two forces," one source said. The source said many Thai fishermen were carrying arms to protect themselves. Armed fishermen had successfully aborted attempts by gunmen, believed to be Karens and Burmese, to collect taxes from them.

Apart from Rangoon and the KNU, the source said, Mon rebels and Burmese Communist Party [BCP] guerrillas had also tried to exert their influence in the Andaman Sea to extort illegal taxes from fishing trawlers. Last October, six Thai trawlers were seized by BCP and Mon rebels who demanded 500,000 baht ransom for each vessel. The amount was eventually bargained down to 150,000 baht.

More than 100 Thai fishing boats were seized last year, but all were returned after taxes or ransom were paid.

Brunei, Malaysia & Singapore

Malaysia

Evacuation of Bangladeshis in Gulf Planned

BK3008144890 Kuala Lumpur Domestic Service in Malay 1200 GMT 30 Aug 90

[Text] Malaysia has agreed to evacuate 100,000 Bangladesh nationals from the Gulf region in response to a request from President Husayn Mohamed Ershad. The request was conveyed by the Bangladesh President to Malaysia's Prime Minister Datuk Sri Dr. Mahathir.

Dr. Mahathir told Radio and Television Malaysia (RTM) that he has asked Malaysian Airlines (MAS) to initiate efforts to bring out the Bangladesh nationals stranded in Amman, Jordan, and Turkey. Details of this are still under negotiation between MAS and Bangladesh's Biman Airlines. According to MAS Managing Director Tan Sri Abdul Aziz Abdul Rahman, MAS has contacted World Airways to charter an appropriate plane for the evacuation process.

Mahathir National Day Speech Stresses Progress

BK3108081590 Kuala Lumpur RTM Television Network 1 in Malay 1237 GMT 30 Aug 90

[Speech by Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed on 33d National Day Anniversary; place and date not given—live or recorded]

[Text] Peace be upon you! We are indeed proud to welcome our country's 33d National Day anniversary. We are truly thankful to Almighty God for enabling us to celebrate our country's independence anniversary in peace and prosperity. This year marks the 33d anniversary of our country's independence.

Two-thirds of Malaysia's current 17-million population were born during the post-colonial period. Only a small segment of the population can see the difference between life under colonial rule and the post-colonial era. If the National Day anniversary celebration does not have the desired meaning, we will definitely forget the country's bitter struggle against colonialism in trying to achieve independence and existence as a sovereign nation.

On this happy occasion, we should reminisce the course of our country's history and cherish our past heroes' gallant deeds in their efforts to liberate our country from the shackles of colonialism. These reflections and appreciation are not only for those directly involved in the interlocutions for independence but also for warriors such as Datuk Sago, Datuk Bahaman, Mat Kilau and others.

Independence is meaningless if the country is incapable of progress after achieving independence. That is why after the post-independence period the Malaysian Government made relentless efforts to develop the country. These efforts have brought about achievements beyond expectations. From a backward colonized country, Malaysia is now one of the third world's most progressive countries. The possibility of Malaysia becoming more progressive and providing its citizens with a more comfortable and prosperous life is no longer an impossible dream. Yet, there is still a certain group of people who are doubtful of our ability to achieve our desired goals, even though we have been successful in achieving our aims through national development projects.

Though Malaysia is a developing nation, its infrastructure is equivalent to those of developed countries. Such infrastructure are roads, clean drinking water and electricity supply, hospitals, clinics, schools, telecommunications, and transportation systems. By some standards, some of our infrastructure are more advanced than developed nations.

The national industrialization policy is an indisputable success. Previously, annual investments only totalled a few million ringgit. Today, about 23,000 million ringgit have been amassed for proposed investments during the first half of 1990. Numerous factories have sprouted throughout the nation, bringing good employment opportunities to Malaysians. The tourism and heavy industries recorded very encouraging success and high growth. As such, if we say that we will further intensify Malaysia's development and progress, we foresee this to be a bright possibility.

Apart from this, the government has been able to reduce the rate of poverty among the people, and the rural community is now enjoying a better life. People who were previously deprived of basic amenities are now enjoying facilities similar to their suburban counterparts. These basic amenities are clean drinking water and electricity supply, medical and health facilities, education, housing, roads and other facilities. The standard of national education has also been raised. Currently, there are seven universities and several institutions of higher learning. Secondary schools are no longer found only in cities and towns but also in the rural regions. Health and medical facilities have been improved. The people are presently provided with more modern and better health and medical services.

Malaysia's success is derived from several factors. Our nation is successful because we practise democracy and have racial harmony and effective and efficient administration. Our people enlist willingly in the police and Armed Forces to defend the country, our workers are diligent and disciplined, and so on. It is also possible that these are the natural attitudes of the people. Generally, such attitudes do not exist. A responsible, skilled, and prudent government is needed to ensure that such aspirations are realized. In this case, Malaysia has fulfilled this need. God willing, Malaysia will accelerate more rapidly to greater successes through the government's wise, careful, and coordinated planning.

Ladies and gentlemen, the theme for our National Day celebration this year is success. It reflects the progress that we have achieved so far, and more importantly it is our determination to continue to be successful. Success does not come rolling to our feet by itself. We need to make concentrated and disciplined efforts to achieve success. In view of that we must work harder to enhance the significance of independence to the nation and to ourselves. If we compare ourselves with other developed countries, we are still faced with some shortcomings. Our technological know-how is still at the initial stage. Our knowledge in high technology and ways to apply it is still very shallow. Our work ethics have room for improvement, as does our national productivity. In this regard, all members of the community—government leaders, private sector executives, businessmen, and workers—should carry out their individual duties honestly with full responsibility. It is important that leaders of all organizations show a good example to their employees. The young generation should be groomed with the spirit and values that place honesty and responsibility as most important in their life and in whatever task they do.

History has proved that several developed countries and societies finally become backward and unstable because of corrupt practices and abuses of power. When corruption has become rampant, the country's administration and society will not be stable. Once this happens, all efforts to develop the country cannot be smoothly implemented, causing the administration to grow weak and thus leading to economic depression, and the people will suffer. We should learn lessons from the past history and experiences so we will not suffer the same fate.

Ladies and gentlemen, in line with the National Day theme this year, we should intensify efforts to see that all things we do are successful. We should be willing to work harder and with more discipline to increase national productivity so our economy can become more stable. We should also have the confidence in our capability to overcome challenges in the future. Our country, Malaysia, is peaceful. As our country is peaceful, we can develop and become prosperous. Therefore, it is important that Malaysian citizens reject all activities that will be a threat to the country's harmony and peace. Malaysian citizens should discard their narrow struggle and instead channel their time and energy toward developing the country. Only when the country has achieved progress will the people enjoy meaningful prosperity. If there is no peace and development there will be nothing to distribute. As the Malay saying goes, there is no point in winning the applause if we lose the competition. The government has adopted a philosophy urging all Malaysians to have the same philosophy toward achieving a common goal. Malaysia's success means happiness to its people.

May the blessing and mercy of God be upon you!

Cambodia

Chea Sim Greets SRV Official on National Day

BK3008102490 Phnom Penh Domestic Service in Cambodian 1300 GMT 29 Aug 90

[Text] On the occasion of the 45th anniversary of the August Revolution and the 2 September national day of the SRV, Comrade Chea Sim, chairman of the Kampuchea United Front for National Construction and Defense National Council, has sent a message of greetings to the chairman of the Vietnam Fatherland Front Central Committee. The message noted:

I would like to express elation and welcome to the achievements and victories won by the front and the Vietnamese people in the past 45 years. The victory of the Vietnamese people's August Revolution was won through the resolute struggle waged by the fraternal Vietnamese people and CPV [Communist Party of Vietnam] with President Ho Chi Minh as their great leader.

Not only has the victory of the August Revolution in Vietnam influenced the struggle movement in Vietnam, but it has also had a great impact on the countries in Indochina and the struggle of the oppressed countries across the world.

As for Cambodia, the August Revolution in Vietnam has become an effective source of strength which significantly and favorably stimulates the struggle in Cambodia. The consolidation of the solidarity, friendship, and mutual assistance between the struggle movements in the two countries has become a fine tradition and is of great political significance to the cause of victories. As a matter of fact, the victory won on 7 January 1979 in toppling the genocidal Pol Pot regime was the outcome of the invaluable force of solidarity of our two peoples. At present, our two countries as well as peace-loving public opinion across the world are seeking all means to prevent the recurrence of the genocidal Pol Pot regime in Cambodia.

Availing myself of this auspicious occasion, I would like to express profound thanks to the fraternal Vietnamese party, state, front, and people for their sacrifices by sending their sons and husbands to help us in the cause of the rebirth, peaceful life, and all-around development of our Cambodian people.

I firmly believe that the brilliant, traditional bond of Cambodia-Vietnam friendship and solidarity will further strengthen and expand in the interests of our two parties, states, and peoples and in the common cause of peace, stability, and prosperity in Indochina and peace and security in Southeast Asia and the world.

May the front Central Committee and the fraternal Vietnamese people enjoy good health and new and greater victories in carrying out their tasks.

May the bond of solidarity and friendship between our two parties, fronts, and peoples of Cambodia and Vietnam firmly consolidate and last forever.

Officials Receive Outgoing Soviet Ambassador

Hun Sen Praises 'Contributions'

BK3008061490 Phnom Penh SPK in English 0426 GMT 30 Aug 90

[Text] Phnom Penh SPK, August 30—Premier Hun Sen received here yesterday Soviet Ambassador Rashit Khamidulin, whose term of office here is to expire soon.

Premier Hun Sen informed his guest of the political situation in the country and praised his contributions to the promotion of Cambodian-Soviet relations.

In his reply, Rashit Khamidulin expressed profound thanks to the party, government and people of Cambodia for having supported and assisted him in fulfilling his mission here.

The Soviet diplomat also wished Premier Hun Sen and the other Cambodian party and state leaders the best of health and new successes in the restoration of peace and national reconstruction.

Chea Sim Appreciates 'Mission'

BK3108061990 Phnom Penh SPK in French 0405 GMT 31 Aug 90

[Text] Phnom Penh, 31 Aug (SPK)—Chea Sim, chairman of both the National Assembly and the Kampuchean United Front for National Construction and Defense National Council, received in Phnom Penh Thursday Soviet Ambassador Rashit Khamidulin, who came to take leave of him at the end of his mission to Cambodia.

Chea Sim, also member of the Political Bureau of the Kampuchean People's Revolutionary Party Central Committee, highly appreciated the Soviet diplomat's mission to Cambodia, considering it an active contribution to the strengthening of friendship, solidarity, and all-around cooperation between the two countries.

He informed his guest of the achievements recorded by the Cambodian people during the past 11 years, particularly about the efforts made by the State of Cambodia in the search for a political solution to the Cambodian problem in order to end the war and the sufferings of the Cambodians, on the condition that the genocidal Pol Pot regime would be prevented from returning to power there.

He stressed the consolidation of the bonds of friendship and multiform cooperation between Cambodia and the Soviet Union and other socialist countries the world over.

For his part, Rashit Khamidulin expressed satisfaction at the efforts of the Cambodian party, government, and people in the defense and reconstruction of the country, especially in the search of peace for the people of Cambodia.

The Soviet ambassador said he supported the tireless struggle of the party and government of the State of Cambodia to erase the consequences of war as well in preventing the genocidal Pol Pot regime from returning to power.

Hard-Liners Said Rising in Phnom Penh Regime

BK3108101890 Hong Kong AFP in English 1004 GMT 31 Aug 90

[By Jean-Claude Chapon]

[Text] Phnom Penh, Aug 31 (AFP)—Hard-line elements within the ruling Communist Party in Phnom Penh have taken the upper hand in their power struggle with reformers led by Prime Minister Hun Sen, political sources here said Friday. The struggle pits Chea Sim, president of the National Assembly and number two in the Kampuchean People's Revolutionary Party (KPRP) Politburo, against the young prime minister, currently isolated among the party leadership, the sources said.

The diplomats of socialist countries in Phnom Penh say the infighting could have serious repercussions on future negotiations for solving the conflict in Cambodia, as the "conservative" tendency is seen as being less willing to compromise than Mr. Hun Sen's faction.

Chea Sim wants to avoid the liberalisation of KPRP policy and to strengthen cohesion and discipline within the party—which controls the provinces better than the still weak government—with a view to future elections aimed at ending the 11-year-old conflict. The elections are part of an Australian peace plan that at the same time calls for strong United Nations involvement in the country's administration.

The five permanent members of the U.N. Security Council—Britain, China, France, the Soviet Union and the United States—in New York on Tuesday approved an interim U.N. administration to pave the way for free and fair elections.

"What Phnom Penh must do is hand the U.N. a near-empty shell and then continue to control the country through local and regional party organisations which have grown in strength during the last few years," a Cambodian political analyst said. This should enable the party to provide a strong challenge to opposition groups in the coming elections, he said.

The opposition coalition, comprising the Khmer Rouge and two non-communist factions led by Prince Norodom Sihanouk and former Prime Minister Son Sann, are opposed to the pro-Vietnam Phnom Penh regime installed after Vietnam's invasion of Cambodia in 1978.

Recent appointments and promotions within the party leadership of those close to Mr. Chea Sim are signs of the growing hard-line trend, observers said. "They don't so much want to isolate Mr. Hun Sen, whose abilities are recognised by everyone, as to steer him back onto the official party line as defined by a large majority" of the party Politburo, diplomats said.

Mr. Hun Sen, also Cambodia's foreign minister, is leading the difficult inter-factional negotiations on Cambodia, with a team of like-minded government officials such as Minister Hor Nam Hong and Vice-Ministers Sok An and Cham Prasith.

"The U.S. policy reversal on Cambodia announced by Mr. James Baker came too late to consolidate Mr. Hun Sen's position," a source close to the prime minister said, adding that Phnom Penh's position at future negotiations could become more hard-line. The U.S. secretary of state announced in July the withdrawl of U.S. recognition of the coalition opposition, dominated by the Khmer Rouge, as the Cambodian representative to the U.N.

"What is now happening in Phnom Penh politics reflects the internal struggles of the Vietnamese Communist Party where the power struggles between conservative and liberal groups are themselves mirrored in the KPRP," a socialist diplomat said. "The northeastern wind can never be underestimated," he concluded, referring to Vietnam's influence.

Paper Urges More Efforts To Defend Localities

BK3008125990 Phnom Penh Domestic Service in Cambodian 2300 GMT 29 Aug 90

[PRACHEACHON editorial: "Vigorously Promote the Three Revolutionary Movements and Use to the Maximum the Effectiveness of Attacking the Enemy To Firmly Defend Villages and Communes"]

[Text] To this day, the Cambodian revolution has been advancing along a firm and brilliant path. The combined forces of the entire party, Armed Forces, and people are holding aloft the banner of genuine patriotism. In every locality throughout the country, the masses and people are actively and energetically implementing the three revolutionary movements and producing a developed and firm movement.

In the past, in compliance with the Resolution No. 27 of the party Central Committee Political Bureau; the resolution of the party Central Committee's ninth, 10th, and 11th plenary sessions; and the second national conference of cadres, our Cambodian revolution has implemented well the people's war. The masses and the people have resolutely harbored anger against the genocidal Pol Pot clique and dared to fight and sacrifice their lives to defend the state authorities and their localities. The movement of changes in localities has evolved in an ardent atmosphere. Each locality is resolute in fighting the enemy; is promoting production and has ensured to a degree the stability of their daily life; and has paid attention to building real revolutionary forces. This is the core, the most important, and indispensable key.

State establishments and all levels of state authorities have played an appropriate role in the movement to lead the masses and the people to take part in all kinds of grass-root activities. Through the struggle in the past, we clearly see that all types of enemies still aspire to get hold of the people and localities and use these as a springboard to expand the war inside the country and topple the revolutionary state authorities and replace them with the genocidal regime. Therefore, the task to build and strengthen localities is necessary and most essential.

The aim is to get the multitude of people to take part in the task to defend and build localities to ensure further development, progress, and firmness. The entire people should be mobilized to contribute more actively by cooperating with the regular, regional, and militia forces and launching operations against the enemies along the border and inside the country. We should be the master and be ready to efficiently counterattack the enemy's tactic of attacking and withdrawing quickly. The spirit of searching out the enemy should be heightened to defend and maintain villages and communes. We should not wait until the enemies attack; we should take the initiative in searching out the enemies and fight them from a distance. We should continue to launch vigorous offensives by combining all three fronts to spearhead the attacks and sweep up and counterattack to destroy the enemies. We should carry out proselytizing work among misled persons and uproot hidden enemy elements.

Along with this, all sections and levels should constantly pay attention to improving the people's living standards. This includes the timely production of paddy in the rainy season and in accordance with the plan and also good preparations for the coming dry season production. This should be combined with the planting of all types of subsidiary crops on the available land. Concurrently, the purchase of food supplies from the people should be improved to ensure that the target is met or exceeded. To carry out well the purchase of food supplies, the direct sale of goods to the people should be increased in accordance with the people's needs.

Along with the two movements, all levels of the party should urge the people to take part in building real revolutionary forces which are the most important core in localities. The determining factor in the diplomatic struggle depends at all times on the real revolutionary forces and the victories on the battlefield. The extent of the real revolutionary forces' development is proportional to the victories on the battlefield, and the success of the diplomatic struggle is also proportional to this. This task determines victory or defeat of the Cambodian revolution. Therefore, all levels and sectors should vigorously strengthen and expand the task to build quality into party members and set up party chapters in communes, wards, factories, enterprises, schools, and hospitals.

In building the party, the quality of party members should be ensured. Party chapters and leading party members are responsible for rallying the people to unite firmly in all aspects of the struggle which is full of complex difficulties. It is necessary to build core cadres and ensure their quality with a correct behavior and attitude, with an orderly way of life worthy of the people's confidence, and in accordance with the six-point characteristic of cadres. Now more than ever, localities throughout the countries should continue to further improve the implementation of the three revolutionary movements and transform it into a powerful combined force to score victory against the enemies.

Red Cross Official Gives Aid to Kompong Speu

BK3008085390 Phnom Penh SPK in English 0421 GMT 30 Aug 90

[Text] Phnom Penh SPK, August 30—A group of the Cambodian Red Cross headed by its general secretary Dr. Mi Samedi recently visited "O Koki" war refugee camp in Kompong Speu Province and distributed relief to those war victims who had escaped from the Polpotists' harassements in Aoral District, same province.

The relief, which consisted of plastic canvas, mosquito nets, blankets, pails and mats valued at about 12,700 U.S. dollars, was donated by OXFAM, World Vision and Australian Catholic Relief Organizations.

At present, O Koki is a resettlement place for 1,760 families with a total of 6,747 people—544 of these families are short of food, and 1,200 families are homeless

25 Aug Western Battle 'Victories' Reported

BK2908131590 Phnom Penh Domestic Service in Cambodian 1100 GMT 29 Aug 90

[Text] In this rainy season the three reactionary Cambodian factions have painstakingly employed all manner of maneuvers for the purpose of retaking a number of provinces in the western region of the motherland. However, all their attempts have been repeatedly and harshly thwarted and crushed by our armed and militia forces and people.

As a matter of fact, on the morning of 25 August, Banteay Meanchey Province's Armed Forces killed seven and wounded 15 enemy soldiers in Kouk P'choek and Kouk Prich villages. We also destroyed 30 mines and seized 28 others.

On the same day, Kompong Cham Province's Armed Forces stationed in Banteay Meanchey Province killed four enemy soldiers in Ta Chut village; the E-74 and E-9 armed units, in their joint operations, killed five enemy soldiers in Baray village and burned three enemy barracks; and the Armed Forces of Phnum Srok District killed three enemy soldiers in Ta Vo and Ta Sok villages and seized three weapons.

As for the Armed Forces and inhabitants in Siem Reap-Oddar Meanchey Province, they jointly launched search-and-destroy operations on 25 August against the enemies in Chikreng and Banteay Srei Districts, killing five enemy soldiers and seizing a quantity of war materiel.

The victories achieved over the enemies are testimony to the fighting capability and mastery of our Armed Forces and people in themselves assuming the task of firmly defending the motherland.

SPK on Military Activities in Border Provinces

BK3008130990 Phnom Penh SPK in French 1102 GMT 30 Aug 90

[All figures as received]

[Text] Phnom Penh 30 August (SPK)— On 26 and 27 August, during their mopping-up operations in the districts of Chikreng, Varin, Angkor Chum, and Kralanh, the Armed Forces of Siem Reap-Oddar Meanchey Province, 300 km northwest of Phnom Penh, put out of action 122 enemy soldiers, including 60 killed and four taken prisoner.

They seized six rifles and destroyed eight others. Combatants in Chikreng District alone put out of action 92 enemy soldiers.

On 25 August, in Banteay Meanchey Province, 360 km northwest of the capital, the provincial Armed Forces killed seven reactionary Cambodians in Kouk Prich Village and seized 28 mines. They also put of action eight enemy soldiers in Phnum Srok District and Baray Village and seized a good number of rifles.

On the same day [25 August], combatants in Kompong Cham Province, some 100 km northeast of Phnom Penh, killed four reactionary Cambodian intruders in Tapho Commune.

VOK Commentary Urges 'Continued U.S. Aid'

BK3108091890 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 31 Aug 90

["Political commentary": "The United States Should Provide Aid To Oppose Aggression and To Fight for Democracy"]

[Text] Communists usually say in their propaganda that the reason the United States provides thousands of millions of dollars worth of aid to Kuwait is because Kuwait has a lot of oil needed by the United States. The Cambodian problem is no different from the Kuwaiti problem: Cambodia has been invaded by Vietnam, and Kuwait by Iraq. Cambodia has suffered from the aggression of Hanoi communist dictators and Kuwait from dictator Saddam Husayn. If the United States supports Kuwait and withdraws support from the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia [FUNCINPEC] and the Khmer People's National Liberation Front [KPNLF], what will the world think about this, and what will be the consequences for U.S. foreign aid policy? Does the United States really support democracy, or does this only serve U.S. economic needs? The United States should express itself clearly on this to avoid misunderstanding.

Voice of the Khmer radio [VOK], which represents the opinion of Cambodians in general, believes that the United States does support the struggle against aggression and does support democracy. However, measures taken by the United States can contradict the principles it has set. If the United States ends its support or cuts its aid to FUNCINPEC or the KPNLF, it will kill democracy in Cambodia by doing so and indirectly assist the Vietnamese Communists, the Khmer Rouge propped up by Vietnam, and the Khmer Rouge chased out by Vietnam. FUNCINPEC and the KPNLF are the sources of strength to fight against Vietnam's aggression and against the communists' genocidal regime. FUNCINPEC and the KPNLF are the only force that can form the basis of Cambodian national reconciliation, ending the war, and promoting democracy in Cambodia.

FUNCINPEC and the KPNLF are currently scoring successes by controlling territory in a number of areas in Cambodia. FUNCINPEC and the KPNLF have set up administrative structures in those areas. The presence of FUNCINPEC and the KPNLF has been fully supported by the Cambodian people, who have been oppressed by communist regimes for decades. Therefore, U.S. aid for FUNCINPEC and the KPNLF should be continued if the United States really adheres to the stance of eliminating Vietnam's act of aggression from Cambodia and supporting democracy in Cambodia. If the United States were to believe that in this phase, in which the war is nearing the end, there is no need to provide any more aid to FUNCINPEC and the KPNLF, that would be the most erroneous conclusion. That would not help end the war in Cambodia; on the contrary, it would encourage the communists to take this last opportunity to cut the roots of democracy in Cambodia. The victims and losers would be innocent Cambodian people. Vietnam and the group of Cambodians propped up by Vietnam—the aggressor group that has committed aggression against Cambodia and the Cambodian people's rights and freedom and has annexed Cambodian territory—would be the winners. Is this what the United States wants?

We think FUNCINPEC and the KPNLF should receive continued U.S. aid. This assistance is a force for FUNCINPEC and the KPNLF in negotiations with the Vietnamese Communists. Even if an agreement is reached [on the Cambodian problem], the non-military aid provided by the United States could help set up democracy in Cambodia, which is the major U.S. goal. Most important of all is that the United States should draw lessons from the Vietnam war: Force is necessary to get the communists to listen to reason.

SRV 'Regiment Position' in Siem Reap 'Smashed'

BK3108021490 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 30 Aug 90

[Text] On 25 August, our national resistance forces attacked and totally smashed a regiment position of the Vietnamese enemies and their puppets at Phum Thmei in Banteay Srei District on Siem Reap battlefield. We killed 14 enemy soldiers and wounded 20 others. We seized 10 AK's, two drum-magazine machine guns, a B-40, a B-41, a 60-mm mortar, an 82-mm mortar, a DK-75, four pistols, and a quantity of assorted ammunition and war materiel.

On the same day, our national resistance forces together with the fraternal Cambodian soldiers attacked a Vietnamese-puppet battalion position at Anlung Ph'ngan and the Rohat Toek and Bat Trang communes' offices in Sisophon District on Sisophon-Malai battlefield. We killed four enemy soldiers and wounded four others; destroyed a B-40, three SKS guns, and three drum-magazine machine guns; and seized 12 AK's, a drum-magazine machine gun, an SKS, and a quantity of war materiel. We liberated eight villages, namely Kouk, Anlung Ph'ngan, Khtum Reay Khang Kaeut, and Khtum Reay Khang Lech in Bat Trang commune, and Ta Mil, Thnal Bat, Rohat Toek, and Pou Pi Daeum in Rohat Toek commune.

Another Enemy Position in Siem Reap 'Attacked'

BK3108082290 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 31 Aug 90

[Text] A report from the general staff of the National Army of Independent Kampuchea [ANKI] says that on 26 August at 0500, a number of ANKI combatants from the 6th and 8th brigades attacked a position of the Vietnamese and Heng Samrin troops near Kouk Dong village in Angkor Chum District, Siem Reap Province. The battle lasted for two hours, after which the ANKI took control of three villages: Kouk Dong, Kouk Chan, and Pheak. There has been no report as yet about losses or casualties. We will provide details later.

SRV 'Dark Design' for Main Role Denounced

BK3108062190 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 30 Aug 90

[Station commentary: "No One Can Accept the Hanoi Authorities' Maneuver for National Reconciliation in Which Their Puppets Play the Dominant Role"]

[Text] Regarding Cambodian national reconciliation, the world community in general, and in particular the five permanent members of the UN Security Council, are of a similar opinion that it is necessary to set up a supreme national council of Cambodia made up of all four Cambodian factions in which no faction is allowed to seize power by force, no faction may dominate the others, and no faction should be excluded. They hold that only by reaching national reconciliation on the basis of these principles can there be a guarantee of avoiding civil war and enabling Cambodia to enjoy peace, security, and stability which are essential conditions for holding free and democratic elections in Cambodia under UN supervision.

The Cambodian National Government has repeatedly voiced its support for these ideas and principles of the five UN Security Council permanent members. Recently, the leaders of the three Cambodian resistance forces issued a statement stressing their desire for the early establishment of the supreme national council so as to discuss measures to quickly end the Vietnamese war of aggression on Cambodia. This is the sincere wish of the Cambodian National Government and the Cambodian national resistance forces.

However, the aggressor Hanoi authorities have resorted to all kinds of maneuvers to avoid these fair and reasonable principles. According to their design, the supreme national council is to be set up on a two-party formula in which their lackey-puppets play the dominant role with no UN supervision nor comprehensive solution. Everyone can see through this Vietnamese maneuver, which is aimed at maintaining the puppet regime as long as possible so that Vietnam can continue to conceal its forces—over 100,000 troops and more than 1 million Vietnamese immigrants—in Cambodia.

If Vietnam succeeds in maintaining the puppet regime and hiding its forces in Cambodia, it means:

1. Vietnam still controls and can forever occupy Cambodia.
2. When elections are held in Cambodia, these Vietnamese forces will be the ones to organize and manage them and will allow or not allow any Cambodian people to vote as they wish. Moreover, the Vietnamese immigrants will be allowed to vote in the Cambodian people's place. Meanwhile, the presence of foreign or UN forces that Vietnam will invite to observe the Vietnamese-sponsored staged election in Cambodia will constitute implicit approval of this Vietnamese scheme.

This is the dark design of the Vietnamese aggressors. No one can accept this devious plan. The world community, the Cambodian national resistance forces, and the Cambodian people cannot accept this Vietnamese maneuver. They will continue to apply pressure on the Hanoi authorities and fight the Vietnamese aggressors in order to force that country to accept a national reconciliation in which the four Cambodian factions have an equal share in the comprehensive settlement of the Cambodian problem under the genuine supervision of the United Nations and the UN Peacekeeping Force.

Comparison of Communique on Lao SPA Visit

BK2908151290

Vientiane Domestic Service in Lao at 1200 GMT on 29 August 1990 carries an eight-minute announcer-read communique on the success of the official friendship visit to the State of Cambodia by Comrade Nouhak Phoumsavan, chairman of the Supreme People's Assembly [SPA] of the Lao People's Democratic Republic [LPDR] from 25 to 28 August. The Vientiane Domestic Lao version has been compared with and found to be identical to the Phnom Penh Domestic Cambodian version published in the 29 August East Asia DAILY REPORT, pages 36 and 37, except for the following variations:

Page 36, subslug reads: ["Communique on the success of the official friendship visit to the State of Cambodia by Comrade Nouhak Phoumsavan, chairman of the Supreme People's Assembly" of the Lao People's Democratic Republic from 25 to 28 August 1990; date not given—read by announcer]

Page 36, column one, paragraph four, first four sentences read: During their stay in Cambodia, Comrade Nouhak Phoumsavan and other delegation members laid wreaths and paid homage to the memory of combatants fallen in the cause of the Cambodian revolution at the Unknown Soldier Monument and paid courtesy calls on Comrade Heng Samrin, general secretary of the KPRP Central Committee and chairman of the Council of State; and Comrade Hun Sen, member of the Political Bureau of the KPRP Central Committee, chairman of the Council of Ministers, and minister of foreign affairs of the State of Cambodia. They met with Comrade Sim Ka, alternate member of the KPRP Central Committee Political Bureau and secretary of the party committee of Phnom Penh city. The reception extended by the Cambodian party and state comrade leaders was conducted under an atmosphere of warm intimacy and mutual understanding. Comrade Nouhak Phoumsavan and the delegation visited the Tuol Sleng Museum of Genocide, the Cheung Ek mass graves, and a number of cultural and economic centers in Phnom Penh and Kandal Province. (providing indistinct passage)

Page 36, column two, first complete paragraph, sentence two reads: In an atmosphere of friendship, cordiality, and fraternal sincerity, the two sides reached unanimity on all issues raised for discussion. (rewording sentence, deleting final sentence)

Page 36, column two, paragraph four, sentence one reads: On behalf of the Lao SPA, Comrade Nouhak Phoumsavan fully supported the goodwill and firm but flexible and correct stand of the State of Cambodia in the search for a solution to the Cambodian problem through negotiations in a bid to bring an early end to the conflict, which responds to the sacred aspirations and interests of the Cambodian people as well as the interests of the three Indochinese countries and those in the region and the world. (supplying words "and the world")

Page 37, column one, paragraph four, last sentence reads: In this spirit, the two sides appealed to parties involved to implement the Tokyo joint communique in order to effect a voluntary cease-fire soon, which is a fundamental issue in creating conditions for holding direct and democratic general elections in Cambodia. (supplying indistinct words, rewording)

Page 37, column two, paragraph five reads: On behalf of the Lao SPA, Comrade Nouhak Phoumsavan invited Comrade Chea Sim to pay a friendship visit to the LPDR at an appropriate time. Comrade Chea Sim accepted the invitation with pleasure. (rewording, deleting place and date)

Indonesia

Editorial Previews Jakarta Meeting on Cambodia

BK3108084190 Jakarta THE JAKARTA POST in English 24 Aug 90 p 6

[Editorial: "More Steps Toward Peace"]

[Text] The joint communique issued by the leaders of the three Cambodian resistance factions in Beijing after three days of talks seems to indicate that they have agreed to come to Jakarta for a meeting with Phnom Penh's Prime Minister Hun Sen. As Foreign Minister Ali Alatas stated some time ago, he had been busy contacting the leaders of the four Cambodian warring parties to determine their willingness to come to Jakarta for such a meeting.

The foreign minister was not very specific about the agenda for the discussions, but it is already known that the meeting will be held to discuss the formation of a transitional authority in Cambodia, known as the Supreme National Council (SNC) pending a general election. Since Prime Minister Hun Sen has hinted that he is willing to attend an all-Cambodia meeting in Jakarta hosted by Foreign Minister Ali Alatas, it would seem that Jakarta could in the near future once again become the site of a meeting on Cambodia.

At this stage it would perhaps be useful to make a few preliminary observations about this forthcoming gathering. First of all, the latest meeting of the three Cambodian resistance leaders—a very odd alliance between the notorious Khmer Rouge, the KPNLF [Khmer People's National Liberation Front] under former Prime Minister Son Sann, and the Sihanouk group—was held in Beijing, which shows that nine years after their first meeting in Singapore in 1981, at the heavy prodding of the host country to set up some sort of alliance, this coalition is now practically an instrument of Chinese foreign policy. What this means is simply that, somehow, the Chinese leadership must have given the signal to the coalition, and particularly to the Khmer Rouge, that they should adopt an attitude of willingness to accept compromise.

The difficult question is—and this is our second observation—what kind of compromise there is to be forged in Jakarta. If the main purpose of the next exercise toward peace is the formation of a Cambodian transitional authority, the SNC, then there are at least two concepts already on the table. Prime Minister Hun Sen keeps insisting that what is referred to as the Tokyo formula should be implemented as a basis for the formation of the SNC. This formula was negotiated during a meeting in Tokyo a few months ago between Prince Norodom Sihanouk and Prime Minister Hun Sen as a result of the active prodding by the then Thai Deputy Prime Minister Chawalit Yongchaiyut. The formula prescribes that the SNC should consist of twelve members, to be equally divided between the Phnom Penh government and Prince Sihanouk's coalition. How the six seats allocated to the three Cambodian resistance factions are to be distributed is left to the parties concerned. The Khmer Rouge, however, immediately repudiated the Tokyo agreement, and Prince Sihanouk quickly adjusted himself by stating that he signed the Tokyo agreement in a personal capacity. The Khmer Rouge came up with a counter formula and insisted that the 12 seats should be distributed equally among the four warring factions.

A third note that needs to be made is that the five permanent members of the United Nations Security Council, after a number of meetings on the Cambodian conflict, have come up with their own formula—one which was also included in the ASEAN statement on Cambodia issued last month, on the eve of the association's annual foreign ministers meeting in Jakarta. According to this formulation, the Supreme National Council that will function as a transitional authority in Cambodia pending the holding of a general election will consist of persons with authority representing all shades of political opinion, who could administer Cambodia during the interim period through existing administrative structures, in conjunction with the United Nations.

In the light of what has been said, the odds against the achievement of a compromise on the formation of a transitional authority should not be underestimated—which is the fourth observation that needs to be made. Despite the fact that the issue of allocation of seats in the council has been somewhat blurred in the Perm Five [the five permanent members of the UN Security Council] formulation, as it has in the ASEAN statement as well, it is nevertheless to be expected that the seat allocation issue will be a problem of hard bargaining. Besides, what sort of yardstick will be agreed upon for determining the choice of "persons with authority representing all shades of political opinion...?"

The most important point, however, and our last note, concerns how the two conflicting parties that matter most—the Khmer Rouge and the Phnom Penh regime—assess their current positions, and in that context, how they view the workings of a possible compromise to be reached in Jakarta. Both the Khmer Rouge and the Phnom Penh regime are likely to come to Jakarta on the assessment that they will be meeting their adversary from a position of strength. The Khmer Rouge see their position on the ground as getting increasingly stronger, while noting that the internal cohesion of the Phnom Penh regime is somewhat weakening and the Vietnamese capability to prop up its client regime is decreasing.

On the other hand, Prime Minister Hun Sen and his associates in Phnom Penh view their political position as having strengthened because of the recent major shift in the United States' foreign policy regarding Cambodia as announced by Secretary of State James A. Baker in Paris last month, combined with the strong rejection of the Khmer Rouge by the American public. It should be noted, however, that unavoidably the Kuwait crisis has shifted the attention of the American public from the Khmer Rouge issue to a more urgent problem, which is the possibility of the United States' getting embroiled in a war in the Gulf area.

Obviously, it is not easy to forge a compromise between two conflicting parties, both of whom feel that they are in a position of strength. Besides, as Michael Leafer, the noted political scientist from the London School of Economics and Political Science, said the other day in a lecture meeting in Jakarta, Khmer political factions do not have an established tradition of power sharing.

Whether the next round of the Jakarta meeting in search of a negotiated solution to the Cambodian conflict, particularly with regard to the setting up of a transitional authority, will yield some concrete results remains to be seen. Whatever the outcome will be, however, at least Indonesia will have demonstrated once again its good will and its willingness to work toward conflict solution in order to establish regional stability in Southeast Asia.

Laos

Party Appoints SRV National Day Committee

BK3008152790 Vientiane Domestic Service in Lao 1200 GMT 30 Aug 90

[Text] The Lao People's Revolutionary Party Central Committee today appointed a committee in charge of organizing the celebration of SRV's 45th National Day. The committee comprises:

1. Phoumi Vongvichit, member of the Political Bureau of the party Central Committee, acting president of the republic, and chairman of the Lao Front for National Construction, as chairman;
2. Phoun Sipaseut, member of the Political Bureau of the party Central Committee, vice chairman of the Council of Ministers, and foreign minister, as vice chairman;
3. Sisavat Keobounphan, member of the Political Bureau of the party Central Committee, chairman of the administrative committee of Vientiane municipality, as member;
4. Choummali Sai-gnason, alternate member of the Political Bureau of the party Central Committee and deputy national defense minister, as member;
5. Maisouk Saisompheng, member of the party Central Committee and chief of the offices of the party Central Committee and Council of Ministers, and chairman of Laos-Vietnam Friendship Association, as member;
6. Mrs. Thongvin Phomvihan, member of the party Central Committee and first secretary of the Lao People's Revolutionary Youth Union, as member;
7. Mrs. Onchan Thammavong, member of the party central committee and chairperson of the Federation of Lao Women Unions, as member;
8. Bounthan, chairman of the Federation of Lao Trade Unions, as member;
9. Paseut Sisanon, deputy minister of information and culture, as member.

Phoumi Vongvichit Meets Bahai Religious Group

BK3108115290 Vientiane KPL in English 0900 GMT 31 Aug 90

[Text] Vientiane, August 31 (KPL)—Phoumi Vongvichit, president of the Lao Front for National Construction Central Committee [LFNC CC], received here on August 29 Dr. John Fozdar, advisor to the Bahai Religious Organization of Asia-Pacific region, who is on a current visit to the Lao PDR [Lao People's Democratic Republic].

During the discussion, the LFNC CC president spoke of the role and the tasks of the LFNC in the new period of national development of the Lao PDR. He briefed his guests about the tasks of the LFNC in uniting the people of all ethnic groups, as well as the role played by mass organizations and religion in the country under the leadership of the Lao People's Revolutionary Party.

The LFNC also plays its part in bringing in to the awareness of the people the notion of justice, and respect for progressive religions.

Dr. John Fozdar expressed his pleasure over the restructuring policy of the Lao Government, the widening of the economic cooperation, the promotion of the people's democracy for the all-round national development.

On this occasion, the delegation of Bahai religion has presented three type-writers worth at 3,400 U.S. dollars to the Lao Front for National Construction Central Committee.

Phoun Sipaseut Greets New Thai Counterpart

BK3008151390 Vientiane Domestic Service in Lao 1200 GMT 30 Aug 90

["Message of congratulations" from His Excellency Phoun Sipaseut, vice chairman of the Council of Ministers and foreign minister of the Lao People's Democratic Republic [LPDR] to His Excellency Subin Pinkhayan, "newly appointed foreign minister of the Kingdom of Thailand" on 29 August—read by announcer]

[Text] Respected Your Excellency Subin Pinkhayan: I am highly pleased to learn about your excellency's appointment as foreign minister of the Kingdom of Thailand and extend my warm greetings to your excellency. I wish your excellency good health and success in your excellency's mission. I firmly believe that the respect and implementation of the joint Lao-Thai communiques signed by prime ministers of the LPDR and Kingdom of Thailand in 1979 and 1988 will further improve the brotherly and good-neighborly relations between our two countries for the benefits of the peoples of our two countries, and for peace, stability, and cooperation in Southeast Asia and the world.

Officials Receive New Yugoslav Ambassador

Phoun Sipaseut Meets Envoy

BK3008112790 Vientiane KPL in English 0930 GMT 30 Aug 90

[Text] Vientiane, August 30 (KPL)—Mr. Phoun Sipaseut, Politburo member of the LPRP CC [Lao People's Revolutionary Party Central Committee], vice chairman of the Council of Ministers and minister for foreign affairs of the Lao PDR [People's Democratic Republic] received here on August 29 Dr. Svetozar Jovicevic, new ambassador extraordinary and plenipotentiary of the Federal Socialist Republic of Yugoslavia to the Lao PDR who recently presented credentials to the Lao acting president.

The foreign minister and the guest talked about issues for further promotion of the friendship and cooperation between Laos and Yugoslavia.

Foreign Minister Phoun Sipaseut wished the ambassador good health and success in his mission here. The new Yugoslavian ambassador has his residence in Rangoon, Myanmar [Burma].

Nouhak Phoumsavan Receives Envoy

BK3108124590 Vientiane KPL in English 0904 GMT 31 Aug 90

[Text] Vientiane, August 31 (KPL)—Nouhak Phoumsavan, president of the People's Supreme Assembly [PSA] received here on August 30 Dr. Svetozar Jovicevic, new ambassador extraordinary and plenipotentiary of the Federal Socialist Republic of Yugoslavia to the Lao PDR [Lao People's Democratic Republic], who recently presented credentials to the Lao acting-president.

The PSA president and the guest spoke about many issues, concentrating on the question of further promotion of the friendship and cooperation between Laos and Yugoslavia. The PSA president wished the ambassador success in his mission here. The new Yugoslavian ambassador has his residence in Rangoon, Myanmar [Burma].

Philippines

U.S. Said Not Using Bases for Gulf Operations

HK3008113390 Quezon City MALAYA in English 30 Aug 90 p 2

[Text] The United States had to use the military base in Thailand as a staging area for its military operation in the Gulf so as not to weaken its position in the forthcoming bases negotiations with the Philippines, a ranking official of the Department of Foreign Affairs said yesterday.

"The U.S. is trying to prove that they can maintain their forces in the Gulf without using their bases in the Philippines," the official said. He added, however, that the U.S. use of the Thai base indicated that they were "in for a long haul" in the Middle East.

But officials from the U.S. and Thai embasies declined to confirm or deny the report that the U.S. Marines are using Utapao, a former U.S. base 120 miles southeast of Bangkok, as a staging area on their way to the Gulf from a Hawaii base.

A Thai official said Utapao is used primarily as a commercial airport for chartered flights from Bangkok to Europe. He said Thailand and the United States, being allies, are linked by the Manila Pact. "In a normal course of our relations, U.S. planes and ships may call on various Thai airports and ports. That's not unusual. It's something we will grant to any country," the official said.

Foreign Ministry May Lift Iranian Restrictions

HK2908042390 Manila BUSINESS WORLD in English 29 Aug 90 p 12

[Text] In light of the accommodations Iran has extended to the Philippines during this Gulf crisis, Foreign Affairs Secretary Rauel Manglapus is considering the removal of Iranians from the list of restricted aliens. According to DFA [Department of Foreign Affairs] sources, Mr Manglapus has instructed DFA Mid-Eastern Affairs Office head Bonifacio Arribas to convene an interagency meeting to review the status of Iranian nations. The concerned agencies include the National Intelligence Coordinating Agency and the Department of Education, Culture and Sports.

Aside from upping oil exports to the Philippines from 7,300 barrels a day to 40,000 barrels a day, Tehran allowed the opening of its borders with Iraq for the transit of Filipino evacuees. The Iranian Embassy here said there are approximately 800 Iranian nationals in the country, most of them students.

Envoy to Iran Surotani Usodan, in a previous interview, pointed out that a "number of Iranians who had studied in the Philippines now occupy important positions in government bureaucracy." A Philippine military intelligence official, on the other hand, said that their concerns regarding Iranian students "centered on their propensity to stage demonstrations (against the U.S. and Israeli missions) and the potential for developing more channels for Islamic fundamentalism."

Meanwhile, DFA sources indicated that "nothing is forthcoming from Mexico and Brunei" in the way of supplemental oil exports to the country. Both countries reportedly "have earmarked all their additional production for ohter countries." This despite Brunei's signing of the ASEAN Petroleum Agreement under which it commits to supply oil to a member country in times of critical shortage.

Solon Proposes Sending Soldiers to Gulf

HK2908104390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 29 Aug 90

[By Cesar Chavez]

[Text] Senator Ernesto Herrera asked the Aquino government to send Filipino soldiers to the Middle East as a show of support to Saudi Arabia and the United Nation's Security Council.

In his privilege speech, the chairman of the Senate committee on labor said that the Philippines should abide by the U.N. security council's decision to resolve through military action, Iraq's invasion of Kuwait, because Iraq has remained strongly uncooperative with the U.N.

[Begin Herrera recording in English] The least that we can do Mr. President, is to declare and show our support to the United Nations and help implement its resolution concerning the gulf crisis. [end recording]

Meanwhile, former defense minister and Senator Juan Ponce Enrile said that the Philippines should remain passive on the Middle East problem because the Aquino government has no definite policy on that region. Enrile said that Malaysia, Indonesia, and other big countries have not sent any troops to Saudi Arabia. Here is Senator Herrera's reply:

[Begin Herrera recording in English] There are very few Malaysians, I doubt it if the Malaysian nationals in the Middle East would amount to something like 3,000. So there the situation of the Philippines is completely different from that of Singapore, Korea, and Malaysia. [words indistinct] that on several occassions in the past when our economy was falling, we approached the Kingdom of Saudi Arabia and it granted all the fuel needs that we asked from them. I think it is also a true show of friendship that we have to show to them that we are fully backing them. [end recording]

Oil Supplies, Energy Situation Reported

Energy-Saving Measures Noted

HK2908044990 Manila THE MANILA CHRONICLE in English 29 Aug 90 pp 1, 8

[By staffmembers Diana Mendoza and Cherry Velarde]

[Text] Starting next week, classes wil be shorter by one day, and businesses will be encouraged to cut one day from their workweek. But to compensate, school and working hours will be increased, government officials said.

The adjustments are part of energy-saving measures adopted in anticipation of an oil crisis: They are supposed to cut fuel consumption of transport firms by reducing the number of commuters, and lessen the power consumption of schools and businesses.

Education Secretary Isidro Carino said that on Sept. 3 public and private elementary and high schools will hold classes only from Monday to Thursday.

On Sept. 10 private colleges and universities will start holding classes only from Monday to Friday. The adjustment excludes state colleges and universities and their secondary or elementary levels, which have charters of their own. Carino said class hours would be extended to make up for the adjustment.

For his part, Labor Secretary Ruben Torres said yesterday labor and management leaders had agreed to an immediate voluntary implementation of a "compressed workweek" of five days instead of six, though working hours would be increased from eight to 10.

Torres said the leaders had agreed to make the plan "compulsory if the situation worsens." The agreement came Monday, after a meeting at the labor department between leaders of the Labor Advisory and Consultative Council and Trade Union Congress of the Philippines, and officials of the Employers Confederation of the Philippines.

Carino said the shortened school week would last until Oct. 31. According to Metro Manila education director, Dr Nilo Rosas, 13 days have been lost since the opening of this schoolyear due to floods, typhoons and the July 16 earthquake.

Schools had been advised to extend class days in December, until just before Christimas, and also to prolong them beyond the normal end of schoolyear in March, he said.

The education department said schools should make up for lost time by giving more homework and by using broadcast media and taped lectures to integrate lessons. To save energy, the department urged "only the minimum use" of airconditioning units and electric fans, and said that field trips and educational tours should be "drastically minimized, if not totally suspended."

Iran, Saudi Arabia Assure Oil

HK3008021390 Manila Far East Broadcasting Company in Tagalog 0100 GMT 30 Aug 90

[Text] The country is assured of a steady supply of oil amounting to 100,000 barrels per day. This assurance was made after negotiations with Iran and Saudi Arabia by Foreign Affairs Secretary Raul Manglapus and Philippine National Oil Company [PNOC] President Manuel Estrella.

Estrella arrived last Tuesday from the Middle East and said that there was no need for panic buying since there was a steady supply of oil deliveries. Saudi Arabia also promised that it would supply an additional 3,000 barrels per day.

Aquino Pleased by Saudi Decision

HK3008061990 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 30 Aug 90

[Text] President Corazon Aquino expressed extreme pleasure over Saudi Arabia's decision to increase its oil production to 2 million barrels a day. In relation to this, the president expressed hope that other members of OPEC would follow Saudi Arabia's decision.

According to the president, the said amount of oil from Saudi Arabia would be sufficient to add or replace one half of the supply that Iraq and Kuwait used to provide. The president further said that the step taken by Saudi Arabia has resulted in a decrease in the price of crude oil by a few notches in the world market.

Meanwhile, President Aquino also announced that the Philippines would have adequate oil supply until April 1991. This assurance was based on a report submitted to her office by Philippine National Oil Corporation [PNOC] president Manuel Estrella.

Estrella had just arrived from a trip to the Middle East where he met with leaders of oil exporting nations. In relation to this, Estrella said that he had just signed a one-year contract with Iran which provides for a supply of 40,000 barrels of crude oil per day.

In addition to this, Saudi Arabia has also agreed to supply an additional 30,000 barrels of oil per day. Estrella further added that loading of these oil products would begin in September.

USSR Offers To Sell Crude Oil

HK3108015790 Manila Far East Broadcasting Company in Tagalog 0100 GMT 31 Aug 90

[Text] The Soviet Union has offered to sell excess crude oil to the Philippines and help the country avert an oil shortage caused by the Gulf crisis. According to Soviet Minister-Councillor Viktor Ivanov, the Soviet Union has surplus oil and could sell it to the Philippines if an agreement is reached.

Earlier, the Philippines was reported to be one of the Asian countries which would be hard hit by the Gulf crisis because 20 percent of its oil supply comes from Kuwait. However, the Philippines has sought the assistance of Indonesia, Malaysia, China, and even Mexico, and is currently conducting negotiations.

900 Million Peso Aid Agreement Signed With FRG

HK2508071590 Manila MANILA BULLETIN in English 25 Aug 90 p 5

[Text] Foreign Affairs Secretary Raul Manglapus and Ambassador Peter Scholz of the Federal Republic of Germany signed a P [peso] 900 million financial cooperation agreement the other day for the construction of a tranformer system in Metro Manila and the protection of the country's forests.

Following the Tokyo pleding sessions for the Philippines Assistance Program (PAP) last year, the financial agreement provides for a soft loan of P600 million for the construction of the Sucat-Sta. Mesa-Balintawak transformer station and transmission lines.

Under the agreement, the financing obtained from the Kreditanstaltfuer Wiederaufbau (Development Loan Corp.) in Frankfurt includes a P300 million contribution for the RP [Republic of the Philippines]-FRG selected project "Measures for the Protection of Tropical Forests."

FRG To Finance P900-Million Transformer

HK3008033390 Manila MANILA BULLETIN in English 30 Aug 90 p 25

[By Romy V. Mapile]

[Text] A financial cooperation agreement was signed by Foreign Affairs Secretary Raul S. Manglapus and Ambassador Peter Scholz of the Federal Republic of Germany [FRG] yesterday on a P [peso] 900-million funding for the construction of a transformer system in Metro Manila and the protection of the country's forests.

Following the Tokyo pledging sessions for the Philippine Assistance Program (PAP) last year, the financial agreement provides for a soft loan of P600 million for the construction of the Sucat-Sta. Mesa-Balintawak transformer station and transmission lines.

Under the RP [Republic of Philippines]-German accord, the financing obtained from the Kreditanstalt fuer Wiederaufbau (Development Loan Corporation) in Frankfurt/Main also includes a P300-million contribution to a bilaterally selected project, "Measures for the Protection of Tropical Forests."

Manglapus said the agreement, pledged by FRG during the RP-FRG inter-governmental negotiations held in Manila last October, represents the instrument through which the German commitment under the financial cooperation program will be formally implemented.

Ambassador Sholz said that this assistance has to be seen within the framework of PAP, and that for the next three years, he expects P4.5-billion in German contributions.

Sholz also took the occasion to elaborate that his government is considering to provide an extra grant for the reconstruction and rehabilitation of roads, bridges, schools and hospitals devastated by the recent earthquake.

Senate Ratifies Treaties With Australia, Canada

HK3008033190 Manila THE MANILA CHRONICLE in English 30 Aug 90 p 1

[By Johanna Son]

[Text] The senate ratified Monday night the Philippines extradition treaties with Australia and Canada. Under the agreements, countries are bound to extradite to each other persons wanted for offenses punishable in both states.

The identical treaties cover even offenses committed before the extradition arrangements take effect. The accords take effect 30 days after the contracting states have formally notified each other of ratification.

Justice department officials earlier told the Senate Committee on Foreign Relations that the extradition treaty with Canada would help Philippine efforts to bring to justice businessman Dewey Dee and former Batasan member Arturo Pacificador.

Political crimes, such as a coup d'etat, are deemed non-extraditable under international law. The requested state's decision on whether an offense is political is final. The treaty with Australia was signed on March 7, 1988 while that with Canada was inked last Nov. 7.

Extradition may also be refused if the wanted person is a national of the requested state, or if the offense is punishable by death under the laws of the requesting state unless it promises not to carry out that sentence. The treaties also provide guidelines for the surrender of property brought to the requested state by the person whose extradition is being sought.

Sen. Neptali Gonzales, who sponsored the two accords, said Australia and Canada do not require parliamentary ratification of treaties.

Government Asked To Explain Debt Repayment

HK2908063790 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 29 Aug 90

[Text] The Supreme Court ordered Malacanang to explain why the government should not suspend its foreign debt repayment.

In a full-page court resolution, the Tribunal gave Budget Secretary Guillermo Carague, National Treasurer Rosalina (Cangco), and the Commission of Audit 10 days to respond to the directive.

The court's resolution was in response to a petition filed by Senators Teofisto Guingona Jr and Aquilino Pimentel Jr requesting the government to temporarily suspend its repayment of our foreign debt. According to the senators, the automatic appropriation for the debt service was based on presidential decrees which have become inoperative. Guingona and Pimentel stressed that based on the Constitution, bulk of the budget should be allocated for the Department of Education and not for foreign debt repayment.

Congressmen Launch New Political 'Movement'

HK3008095990 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 30 Aug 90

[Text] Three senators and eighteen congressmen today formally launched a new political movement called Katipunan para sa Bagong Demokrasya [New Democratic Assembly] or KBD. The organizers of this movement are Congressmen Artemio Adaza, Jose Ong, Eduardo Joson, Enrico Dayanghirang and Bonifacio Gillego. According to their chairman, Congressman Dayanghirang, their primary aim is to speed up reforms in the government similar to the aim of Kabisig [Partnership] which was set-up by President Cory Aquino.

Dayanghirang stressed that this was not a political party but only a movement. Among their objectives is the removal of all foreign troops, facilities, and nuclear weapons in the Philippines as a fulfillement of the provision in the Constitution which states that the Philippines must be a nuclear-free country. They will also strive to repeal anti-labor laws for the benefit of the workers.

Aquino Assures Safety of Democratic Institutions

HK2508045590 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 25 Aug 90

[Text] President Corazon Aquino announced that the government is taking precautionary measures to ensure the safety of democratic institutions in the country. At the same time, the president confirmed that the Armed Forces of the Philippines is giving security briefings to the media in view of the current situation in the country.

Meanwhile, Press Undersecretary Horacio Paredes described as baseless speculations about an imminent coup d'etat as well as declaration of martial law. Paredes called on the public to remain calm amid talks of a new coup d'etat by rebel soldiers.

Aquino Urges Public To Help Stop Coup Rumors

HK2708104590 Manila Radio Veritas in Tagalog 0900 GMT 27 Aug 90

[Italicized portion in English]

[Text] President Corazon Aquino today met with members of the Barangay Association. In her address to the association, the president sought public support to stop the spate of terrorist activities by rightist elements. She also called on the local government to help check rumours of another imminent coup attempt. She reiterated that her government remains strong.

[Begin Aquino recording] [passage indistinct] *At this point, their main strategy is to sow psychological terror in* *the minds of our people with patent lies, misinformation, and destructive rumour-mongering. You are the most principal leaders in our barangays. I am therefore counting on you to help fight these lies and rumours.*

Our people believe in you, hence, I am expecting you to help me relay to them the truth that our democracy is very strong. We need to help one another to ensure that the enemies of our freedom will not succeed. Let us help one another to bring back our people's faith in our government.

With the series of calamities which struck the country, it is natural that the people are demoralized but they need to start all over again. We have to help them rediscover their faith in their own capability and that of the government to face our problems. Let us help one another through the Partnership way because we know that we can accomplish more if we link up with more arms. The Partnership program will be meaningless if our people in the barangays do not work with us in promoting the economy. [passage indistinct] [end recording]

Anti-Coup Exercises by Presidential Guards

HK2708104190 Manila Radio Veritas in Tagalog 0900 GMT 27 Aug 90

[Text] President Corazon Aquino announced the holding of anti-coup exercises by the Presidential Security Guard [PSG]. Speaking at a news conference, the president said it was better to be prepared than to be sorry.

At the same time, the president called on the public to condemn all forms of terrorism. She also aired the possibility of her not leaving the country this year owing to the coup threats and pressing problems in the country. She was supposed to attend the coronation of Emperor Akihito in November. The president said her decision will be dictated by national interest.

Ramos Reiterates 'Loyalty to Constitution'

HK2708094990 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 27 Aug 90

[By Cesar Chavez—italicized portions in English]

[Text] Defense Secretary Fidel Ramos defined the extent of his loyalty to the present administration in the light of threats by rebel soldiers to launch a new coup d'etat. Speaking at the weekly Manila Hotel breakfast forum, Ramos said: *I will stay on the ship as long as I can.*

Before making this statement, Ramos likened the government to a ship navigating through perilous waters full of crocodiles and sharks, and troubled by natural disasters like earthquakes and typhoons. The ship is also leaking and is in danger of sinking. *I will stay on the ship as long as I can,* Ramos stressed.

Earlier, some sectors suggested that the defense secretary would be involved in a new coup attempt but this was denied categorically by the defense secretary, who described the allegations as intrigue concocted against the AFP [Armed Forces of the Philippines] and the defense establishment.

Ramos also stressed that he has defended the Aquino leadership against six attempted coups and added that those were demonstrations of his loyalty to the constitution.

At the Manila Hotel breakfast forum, Ramos said that as one of the passengers on the ship, it was but appropriate that he help save the ship from sinking. However, mediamen and observers at the forum were alerted when they heard Ramos say that he will stay on the ship as long as he can.

Ramos Rejects Proposals for Martial Law

HK3008061790 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 30 Aug 90

[Text] Defense Secretary Fidel V. Ramos rejects any kind of plan calling for the declaration of martial law in our country. Ramos announced that the present state of peace and order in the country does not merit enough reason for the declaration of martial law. In addition to this, Ramos said that only President Aquino, based on the concurrence of congress, can declare martial law when necessary.

Meanwhile, Ramos stressed, amidst the spate of bombings taking place in Manila, the president has never discussed during cabinet meetings the possible imposition of martial rule. In addition to this, Ramos refuted talks that the military was preparing for a constitutional coup. He explained that it was impossible to have a constitutional coup because a coup d'etat has never been and will never be constitutional.

Flour Mills Owned by Concepcion's Family Bombed

HK2708061590 Quezon City Radyo Ng Bayan in Tagalog 0300 GMT 27 Aug 90

[Text] A bomb exploded at the Republic Flour Mills at dawn today. Trade and Industry Secretary Jose Concepcion Jr.'s family owns the company. According to the police, some unidentified men lobbed the bomb, which shattered the building's windows. This is the 16th bomb explosion in Metro Manila since 13 August. Military officials claim that rebel soldiers are responsible for the incident and the current spate of bombings, which, they believe, is part of the campaign to destabilize and overthrow the Aquino government.

House Declares Coup d'Etat Capital Offense

HK2908063590 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 29 Aug 90

[Text] The House of Representatives has approved a proposed bill declaring coup d'etat a capital offense. This means that this offense will be unbailable and those involved in the launching of a coup d'etat will get lifeterm imprisonment. The bill was swiftly approved after suspected rightists launched a series of bombings in preparation for a coup. According to House Speaker Ramon Mitra Jr, the proposal to list coup d'etat as a capital offense garnered 112 votes while 12 voted against it.

Two Civilian Suspects in Bombings Arrested

HK3108045790 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 31 Aug 90

[Text] Two civilians suspected of involvement in the series of bombings taking place in Metro Manila have been arrested by the military. According to AFP [Armed Forces of the Philippines] vice chief of staff Major General Rodolfo Biazon, one of the two arrested has confessed to the crime. However, Biazon did not reveal the names of the suspects. He said the two suspects were arrested after attempting to bomb the Allied Bank Building and Naurog Building in Makati.

Meanwhile, PC-INP [Philippine Constabulary-Integrated National Police] Chief Major General Cesar Nazareno reported that they have gathered the names of rebel soldiers suspected of involvement in the latest violence in Metro Manila.

Aquino Accepts Senators' Call for Talks

HK3008062990 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 30 Aug 90

[Text] President Aquino accepted today calls by Senate Minority Floor Leader Juan Ponce Enrile and Senator Orlando Mercado to hold talks which aim to solve the country's problems.

Prior to this, Mercado persuaded the president to meet with the National Security Council and invite the opposition to outline plans to combat the crisis which the Philippines faces. The president said that Mercado and Enrile, who had called for similar talks, may attend meetings of the cabinet cluster [Cluster E] on security and political affairs. The president also mentioned that she had ordered cabinet Cluster E to form a five-man committee that would meet with Senator Wigberto Tanada and other proponents of peaceful means towards resolving the country's problems.

Senator Tanada had earlier suggested calling for a ceasefire.

Senators Reject Aquino's Talks Proposal

HK3008100190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 30 Aug 90

[By Cesar Chavez]

[Text] Senate minority floor leader Juan Ponce Enrile and Senator Orlando Mercado rejected President Corazon Aquino's proposal for them to meet with the Cabinet cluster on political and security matters to discuss a peaceful resolution to the crisis prevailing in the country.

It is recalled that Senator Orlando Mercado requested that the president meet with the country's leaders, including Senator Enrile and Vice President Salvador H. Laurel and other people who helped propel Mrs Aquino to power during the EDSA [Epifanio de los Santos Avenue] People's Power, for a consultation that could lead to the attainment of peace in the country. However, the two senators claimed that instead of responding to this request, the president passed on the responsibility to her Cabinet, which, they said, only showed that the president was not serious in responding to the senators' proposal. Enrile and Mercado said they were not happy with the president's reply:

[Begin Enrile recording in English] I think they are not serious about their call for unity and reconciliation. The statement carries a tone of [word indistinct]. Senator Mercado called for a meeting of leaders, not a meeting of subalterns. And in fact, he was asking for the president, the vice president, the Senate president, and the speaker of the House, and that General Ramos and I be included in that meeting. I was not the one looking for a meeting. And President Aquino's reply is an indication to me that she is not serious in looking for an area of peace and reconciliation and unity. [end recording]

Ramos Admits Rebel Soldiers 'Biggest Threat'

HK3108022790 Manila MANILA BULLETIN in English 31 Aug 90 p 48

[Text] Responding to persistent rumors of a new coup attempt, Defense Secretary Fidel V. Ramos assured business leaders yesterday that "there is no dissident force in this country capable of overthrowing the state" and emphasized that the Armed Forces would crush any coup attempt.

Ramos, speaking before the members of the Management Association of the Philippines (MAP), stressed the importance of the business sector's perception of the prevailing peace and order situation. He noted that every time there are coup rumors, trading at the stock market drops.

Ramos acknowledged that rebel soldiers now pose the biggest threat to the government.

The MAP, led by president Guillermo Luchangco, aired its confidence in the defense secretary.

Civil, Political Solution to 'Crisis' Urged

HK3108023990 Manila THE MANILA CHRONICLE in English 31 Aug 90 p 1

[Editorial: "Crisis Requires Creative Use of Civil Powers"]

[Text] In an extraordinary meeting yesterday, publishers of major Manila newspapers considered the dangers facing Philippine democracy. With rare unanimity, they agreed that, first, military intervention in the event of a constitutional crisis is unacceptable; and second, declaration of martial law is unwarranted in addressing problems arising out of the current unrest.

The publishers felt that any solution to the crisis should come from within the civil political process. They believe that the military option can only create new problems that would bring back a more serious form of authoritarianism. They were emphatic in rejecting this option.

They also believed there exists within the constitutional system sufficient normal presidential powers to cope with any economic, political and security crisis and to arrest the decline of the economy. These powers have not been exhausted. The publishers believed that a creative use of these power will enable the presidency to produce initiatives that can reverse the downhill slide of the economy and put the country back on the path of economic recovery.

They stressed, however, that there was an urgent need to dip into these power resources for new dramatic initiatives that could capture the imagination of the people and revive their flagging faith in constitutional democracy. They believed such initiatives should come from the civil sector, not the military sector, of the government.

Significantly, the media owners have declared their position on the issue of survival of democracy. They are calling on the civil government to take steps to regain popular confidence in democratic institutions.

Media are just one of the sectors searching for solutions to problems involving the crisis of confidence in constitutional democracy. The need of the hour is to prevent this crisis from further eroding. During the past few days, relative calm has returned after several weeks of economic and natural disasters and unsettling rumors of coups and the wave of terror bombing. The deterioration of civil order can only create the logic for military intervention.

The fragile calm must be maintained and used to buy time for the political leadership to launch new initiatives. Ultimately, the determination of these initiatives is the responsibility of the political leadership. It is a challenge to its creativity. There is little time left to turn the tide of decline.

The media, like other sectors, can only express concern and declare their positions without equivocation on the profound issues affecting the democratic system. This is the time for the media to put themselves on the line for democracy.

But the power to regain the initiative for making democracy function and credible as a means to solve problems, reconcile conflict and promote development and social equity lies in the hands of the political leadership. It's time for the leadership to act—and end the impasse.

Aquino's Presidency in 'Danger of Collapse'

HK3008034190 Manila THE MANILA CHRONICLE in English 30 Aug 90 pp 1, 3

["Analysis" by Amando Doronila: "Prescriptions to a Petrified Presidency]

[Text] The realization that the installed constitutional democracy in the Philippines is in grave danger of collapse has plunged political and business leaders into a deperate search for a formula within the civil political process to avert such a disaster, and a possible military intervention.

The presidential palace yesterday appeared petritied over the accelerating momentum of the disintegration of presidential leadership at the political center. Cabinet members and congressional leaders were groping for a solution. Outside the government circles, business leaders were meeting in small groups in search of a formula within the constitutional system. Publishers of Manila newspapers are meeting today to examine what the media could do to reverse the momentum of the breakdown of democracy, withinout realizing that they may have an inflated sense that media can perform political miracles. But it has been demonstrated by research that media can only ride a trend but not reverse it.

However, there was a strong undercurrent of opinion that the deterioration of the crisis must be halted, that the paralysis must come to an end, and the means to do it should be within the constitutional process. There was also a strong sense that a dramatic move must be made by the presidency, which has found itself in a corner, to regain the initative.

Against the mood of gloom, it was clear yesterday that the Aquino government was on the ropes. No initiatives were forthcoming. There were only signs of exhaustion. The palace was ominously quiet, unable to calm the growing anxiety, sparked by last week's wave of terror bombings and the ever increasing prospects of unrest fueled by an economy that had slowed down. President Aquino, whose authority was being swiftly eroded, could not even comment on suggestions that she call a meeting of the National Security Council. Such was the state of petrification of the political leadership.

What was alarming was the growing acceptance, even by intellectuals and the middle class, a class that historically has shunned bloodletting as a method of political change, of the inevitability of a "constitutional coup."

However, in the flurry of desperate suggestions, some crisis-defusing proposals have emerged, many of them very ambiguous and perhaps romantic. They include the resignation of the government and a snap election, with the Chief Justice of the Supreme Court acting as caretaker President; the transformation of Congress into a constituent assembly to rewrite the Constitution; the declaration of a national emergency during which a civil-military junta may be formed to establish stability upon which economic-recovery programs may be launched.

Whether or not the resignation of the government is allowed by the Constitution is arguable, but the extraordinary nature of the proposals betrays a creeping panic.

One proposal that seems worthy of serious examination because of its potential as a constitutional solution is the appointment by the President of a strong Executive Secretary, who may be delegated full Executive powers to launch dramatic economic, political and social reforms. This official will, in effect, act as a de facto prime minister, or as the actual Chief Executive, acting on behalf of the President.

But there are preconditions to an Executive Secretary with full powers: (1) a declaration of a national emergency through which extraordinary executive powers will be handed to the Executive Secretary; (2) the President should be prepared to be a mere figurehead or a nominal President, which she, in fact, is already one; (3) a period of three to six months during which the Executive Secretary will rule by decree; (4) the capacity of the leadership to package quickly such a reform scheme. The Secretary should be recruited from civilian ranks—not from the military.

For this scheme to have a dramatic impact, there should be a complete Cabinet revamp to give a signal that a fresh start is being made. The appointment should immediately be folowed by an announcement of a bold program of economic and social reforms, including (1) a showcase campaign against corruption whose targets are presidential relatives; (2) credible implementation of the Agrarian Reform Act; (3) a tougher initiative on debt relief; (4) an economic reform program that will immediately create jobs; (5) a tax-reform program that will demonstrate a shift away from regressive taxation; and (6) a demonstrable program speeding delivery of basic services in Manila and in the provinces.

The powerful Executive Secretary will be the focus of popular hope for a political renewal. He will be a man of action—something like a new Ramon Magsaysay—serving in the context of current problems dominated by political demoralization and economic decline.

The current constitutional crisis provides the environment in which a man of destiny can emerge. Crises have a way of producing their own men of the hour—for example, General de Gaulle of France, General Suharto of Indonesia, Winston Churchill, Napoleon Bonaparte and Magsaysay.

They are the product of extraordinary times. They emerge in either authoritarian or democratic ambience. The stage is set for the emergence of such a person at a crucial juncture of this nation's history.

We can only wish, and prescribe, that they emerge to pursue the democratic tradition. But we cannot be sure. Events dictate their own terms.

The dilemma posed by this crisis is that it has emerged from the reestablishment of formal structures of democracy by the Aquino presidency. Her tragedy is that she failed to make her democratic experiment function successfully by squandering the opportunities of using her presidential powers and enormous popularity to give substance and meaning to the keyword in a democracy—political and economic equality. Her inefficacy as a democratic leader gave democracy a notoriety for failure. In the end, the edifice of her enterprises is crashing down on her government and its flimsy facade of constitutionalism.

Senator Warns of Three Brewing Coup d'Etats

HK2908105790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 29 Aug 90

[By Cesar Chavez]

[Text] Senator Wigberto Tanada warned of three brewing separate coup d'etats in the country, all of which, he said, have great possibility of succeeding. In his speech at a symposium in the UP [University of the Philippines] College of Law discussing national crisis, martial law, constitutional coups, and (the way out), Tanada discussed the interconnection of the coup d'etat threats by rebel soldiers; the proposal to implement a parliamentary form of government instead of a presidential system; and the adoption of a draft treaty of friendship and cooperation between the Philippines and the United States to pave the way for the retention of the U.S. military facilities even after the RP [Republic of the Philippines]-U.S. military bases agreement expires on 16 September 1991.

Tanada assured that if the three coup d'etats succeed, three objectives will also be realized. First, President Corazon Aquino will have merely a ceremonial status; second, the unelected and unelectable shadowy figures in Malacanag will be discharged; and third, the American forces and facilities will remain in the country after 1991.

Meanwhile, Senator Aquilino Nene Pimentel Jr challenged Defense Secretary Fidel Ramos to immediately capture renegade Colonel Gringo Honasan. In his press conference, Senator Pimentel said that if Defense Secretary Ramos is incapable of capturing Gringo, it is correct for the defense secretary to support the ceasefire proposal:

[Begin Pimentel recording in English—in progress-]...ceasefire earlier, and apparently, Secretary Ramos opposes a ceasefire at this time. [words indistinct] have fallen on deaf ears. And so, our reply to the position of

Secretary Ramos is, if he does not want a ceasefire, let him prove himself by arresting the people who are bombing Metro Manila, who are waging rebellion against the government both from the right and from the left. But if he cannot do that for one reason or another, then by all means he should be humble enough to support a call for this so-called ceasefire. [end recording]

Slain Military Officers Said Drug Traffickers

HK2908104590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 29 Aug 90

[By Dick Sinchongco]

[Text] The Presidential Fact-Finding Committee investigating a shootout between National Bureau of Investigation [NBI] operatives and two high-ranking officials of the Northern Luzon Command [Nolcom], have formally submitted to President Aquino its report and recommendation on the issue.

In a 118-page report by the committee, headed by Presidential Adviser Magdangal Elma, it recommended that a trial be held against NBI and WPD [Western Police District] Captain Reynaldo Jaylo on the killing of Colonel Rolando de Guzman; Patrolman Edgardo Castro on the killing of Major Franco Calanog; and PFCs Antonio Jabalo Jr and William Balensona on the killing of CIS [Criminal Investigation Service] agent Avelino Manguera. The committee reported that there really was a drug bust operation, and that the two Nolcom officers and the CIS agent were involved in drug trafficking. Witnesses failed to convince the committee that the killed military men's objective was to arrest a woman communist rebel.

In its recommendation, the Elma fact finding committee stressed the need to upgrade the law enforcement agencies, especially on investigation training, arrest of suspects, and proper use of weapons. It also recommended the president to give law enforcement agencies a directive to hold periodic meetings among its personnel in order to avoid misunderstanding, jealousy, and abuse in the enforcement of their duties. It also recommended the dropping from the military unit, the duty of drug enforcement, which has led to reports claiming that many military personnel have become drug dealers and drug traffickers.

More RAM Officers Named in Manila Bombings

HK2908051990 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 29 Aug 90

[Text] Eight suspected RAM [Reform the Armed Forces Movement] officers were identified in a confidential military report as having been involved in the spate of bombings in Metro Manila. The alleged RAM officers were Lieutenant Colonel Billy Bibit, ex-Captain Ariel Querubin, ex-Lieutenant Reynato Padua, ex-Captain Celestino Ferrera, ex-Captain Juancho Sabban, and ex-Captain Dante Pimentel, and two civilians Sonny Soria and Noel Tinoya. Based on the report, the group is headed by Bibit, who escaped recently from his cell at the Manila City jail.

Meanwhile, AFP [Armed Forces of the Philippines] vice chief of staff Major General Rodolfo Biazon reported that aside from Querubin, Padua, and Sabban, ex-Major Abraham Purugganan was also involved in the bombings. However, Purugganan's name did not appear in the confidential report.

In this connection, it is suspected that the widespread terrorism may force President Aquino to declare martial law, but many senators believe that there is no need to impose martial rule.

Nine Soldiers, Five NPA Said Killed in Clashes

HK2808091190 Quezon City MALAYA in English 28 Aug 90 p 2

[By Noel Bartolome]

[Text] Nine government troopers and five New People's Army guerrillas were killed while several others were wounded during encounters in Davao City last Friday and in Aklan last Saturday. Camp Aguinaldo said elements of the Army's 75th Infantry Battalion [IB] engaged in a gunbattle about 150 heavily-armed rebels under Leonardo Pitao, alias Commander Parano, at around 11:30 a.m. Friday in Barangay Iumaid, Paquibato District in Davao City.

The firefight lasted for three hours resulting in the death of six troopers and four rebels while nine soldiers and a militiaman and three insurgents were wounded. Killed were Lieutenants Nonito Pintoy and Nestro Acibar, Cpl. Dominador Negrillo, Privates First Class Tomasito Gutierrez, Rodolfo Cesar and Rex Landeza. Rebel casualties were not identified. Reports said the NPA rebels later retreated to their mountain lairs after taking four high-powered rifles and a grenade launcher from the soldiers.

In Aklan, PC [Philippine Constabulary] elements and the 4th CAFGU [Citizens Armed Forces Geographical Units] Company led by C1C Palermo, were ambushed by about 10 NPA rebels at around 6:30 a.m. last Saturday along the Ibajay River in Barangay Monlaque in Ibajay town. The government side suffered fatalities.

Meanwhile, in Isabela, three rebels were reportedly captured after communist guerillas fought a platoon of the Army's 77th IB in Barangay Nursery, San Mariano last Friday. The troopers also recovered four high-powered rifles and assorted bullets from the rebels.

Forces Said To Destroy Communist Camp in Leyte

HK2808025790 Manila MANILA BULLETIN in English 28 Aug 90 p 8

[By Wilma Yamzon]

[Text] Government forces conducted air-to-ground strikes at a heavily fortified New People's Army (NPA) camp in Leyte last Friday, the military reported yesterday. The military said an undetermined number of rebels were believed killed in the assault.

Reports reaching Camp Cramo in Quezon City said two "Tora-Tora" planes, a Sikorsky gunship, and two "Huey" helicopters were deployed in the attack which was supported by government troops on ground. A big NPA camp at sitio Caupe, barangay San Antonio, Hilongos in southern Leyte was destroyed, the reports said.

Maj. Gen. Gerardo Protacio, chief of the Philippine Air Force (PAF), dispatched the Tora-Tora planes which dropped 1,480 pounds of bombs at the rebel camp. A Sikorsky gunship unleased at least 12 air-to-ground rockets as "Huey" helicopters hovered over the target, a report sent to Protacio said. Wounded rebels were seen scampering in different directions, while some fell into a nearby ravine. However, the troops did not find a single body at the site.

The military said the air strike was conducted following reports of the presence of a big group of rebels in the area. The camp was discovered later. Sporadic firefight broke out between rebeles and government troops a few days before the "total assault" was launched by the military. The last fighting occurred last Aug. 21 when "Task Group Sikop" led by Maj. Claro Francisco clashed with about 100 NPA guerrilias in sitio Caupe.

NPA 'Invisible Government' in Cagayan Disbanded

HK2908045390 Manila MANILA BULLETIN in English 29 Aug 90 p 8

[Text] An invisible government set up by the communist-New People's Army (CPP/NPA) in three towns at the boundary of Cagayan and Kalinga-Apayao has been disbanded over two weeks ago following the arrest of 46 of their provincial, town and barangay officials.

This was disclosed recently in Batangas City by Maj. Gen. Cesar P. Nazareno, Constabulary chief and director general of the Integrated National Police (PC/INP).

The disclosure was made by Nazareno in interviews with two BULLETIN representatives Present at the time of interviews were Brig. Gen. Evaristo Carino, commander of the PC [Philippine Constabulary]/INP regional command 4 (Recom 4), and Batangas Congressman Hernani Perez and Batangas Gov. Vicente Mayo.

Rep. Perez and Gov. Mayo rushed to the PC/INP provincial headquarters on learning about Nazareno's presence who was making a routine visit of the PC/INP provincial headquarters.

Arrested, according to Nazareno, were the provinical governor and the vice [as published], three town mayors and their vice mayors, members of the provisional provincial board, three vice town mayors and some members of their town councils, and some barangay officials.

The PC/INP chief did not identify the arrested 'officials' except to say that they have been under detention and facing appropriate charges in court.

Col. Rogelio Regalado, provincial commander, presented to Nazareno, Rep. Perez and Gov. Mayo, a college girl, Francis Recalde (not her real name), as former NPA leader who joined the CPP [Communist Party of the Philippines]/NPA a year ago, gave up to members of the Cavite PC/INP whom she later led to Mansalay, Mindoro Oriental where the troopers arrested NPA leaders with whom 'Recalde' operated before her surrender.

Army Soldiers Seize NPA Camp in Camarines Sur

HK2908043190 Manila MANILA BULLETIN in English 29 Aug 90 p 8

[By Jen Jorvina]

[Text] Lagonoy, Camarines Sur—A 10-year old New People's Army (NPA) rebels training camp situated at the top of Nagroan Falls in an island of Caramoan Peninsula in Bicol region was overran by operating units of Army soldiers at barangay Himanag, this town last week, 2nd Infantry Battalion (IB) headquarters said yesterday.

The report said that the NPA's Kilusang Larangang Guerilya [Guervilla Movement] (KLG) in Camarines Sur province used the camp as main headquarters of top NPA commanders who figured in an encounter with the government troopers. They said that the camp is accessible by six-hour boat ride from Sabang Partido passing Caramoan Peninsula to barangay Mangogon and finally to Balaton Island where the camp is nestled on the top of the mountain.

Lt. Col Edilberto Pancipane, 2nd IB commander reported to Brig. Gen. Thelmo Y. Cunanan, 2nd Infantry Division (ID) commanding general and Col. Victor A. Mayo, 201st Infantry Brigade commander, that the camp has 18 bunkers which can be used by four rebels each, six nipa quarters for rebel commander, one firing range, two machine gun posts, six watch tower posts, one social hall which can accommodate 30 persons, and training facilities with obstacle course in the center of the camp.

Communists Said To Offer New Recruits P700 Pay

HK2808030390 Manila MANILA BULLETIN in English 28 Aug 90 p 8

[Text] Tiwi, Albay—A New People's Army (NPA) "sparrow" [assassination squad] member, who surrendered here last Friday, told military authorities that communist rebels in Bicol are recruiting barangay residents who are being offered a salary each of P [peso] 700 a month.

He said that the rebels are trying to match the salary rate being offered by the government to the members of the Civilian Armed Forces Geographical Units who are paid P900 a month each.

Armando Borlagdan, 22, alias "Ka [Comrade] Jackson," of barangay San Isidro Iraya, Malilipot town, a confessed NPA "sparrow" unit member who used to operate in Malilipot and Tabacco towns, this province, told to Col Norberto M. Lina, Recom [Regional Command] 5 commander, that the NPA operations in Bicol have shifted to the recruitment of new members.

Aside from the P700 monthly salary, he said, the communist rebels also promised to provide the family of a new recruit with one sack of rice every month.

"Ka Jackson" told Colonel Lina that the rebel movement in Bicol is now weakening because the barangay residents do not want to join the NPA anymore. They are fed up with the unfulfilled promises of the NPA, he said.

"Ka Jackson," who finished Grade IV [Roman 4] and who joined the NPA in 1985, said that he was with a five-man "sparrow unit" headed by "Ka Nilo," with "Ka Noe," "Ka Noel," and "Ka Ever" as the other members.

He said that he surrendered to Justino Bio, Bicol representative of the Commission of Human Right (CHR), who brought him last Friday to the 255th PC [Philippine Constabulary] company headquarters under Maj Jess B. Reforsado.

"Ka Jackson" also told Colonel Lina, who was accompanied by Lt Col Macabanding B. Marmaya here, Albay deputy provincial commander, that he was with the "sparrow unit" led by "Ka Nilo" on Sept 23, 1987 when the group kidnapped and killed a Tabacco tricycle driver, Francisco Borbe of San Isidro Iraya, Malilipot.

Anti-Communist Drive in Batangas Praised

HK2908050190 Manila THE MANILA CHRONICLE in English 29 Aug 90 p 6

[Text] Relentless military and police action against communist rebels in Batangas has crippled the capability of the New People's army [NPA] to mount any significant offensive in that province. Lt. Col. Rogelio Regalado, Batangas PC-INP [Philippine Constabulary-Integrated National Police] commander, said that for the past two years, NPA guerrillas have not made any attack against military and police detachments. "This proves that the rebels are in dire need of combat personnel and they have lost people support," Regalado told PC-INP chief Maj. Gen. Cesar Nazareno.

Quoting Francisco Ricalde, a former NPA team leader, Regalado said the mass surrender and desertion of regular guerrillas have seriously affected the NPA's operational capability in the province. "Other regular guerrillas," he said, "have preferred to remain on inactive status." The communist movement in the province, he said, is now concentrated on united front activities and party building. "We perceive here a deviation of tactics of the insurgents from armed activities to political work because of their failure to gain a significant mass base," Regalado said.

The rebels, he said, earlier planned to attack remote military and militia detachments in Padre Garcia, Rosario and Calaca towns but failed because of lack of people's support.

Aquino Orders Study on Proposed Rebel Truce

HK2508024590 Manila Far East Broadcasting Company in Tagalog 0100 GMT 25 Aug 90

[Text] President Aquino has instructed a cabinet committee to study proposals from different sectors including the Congress for a negotiated cease-fire with communist rebels, renegade soldiers and the Muslim secessionist rebels. According to Presidential Spokesman Adolf Azcuna, a sub-committee has been formed by the cabinet committee on political and security affairs headed by Justice Secretary Franklin Drilon. Reports indicated that the sub-committee will study the possibility of a cease-fire with the rebels.

At the same time, Malacanang also denied reports that the government will declare martial law. Talks of imminent declaration of martial law resulted from the recent spate of bombings in Metro Manila.

Government Moves Toward Talks With Communists

HK3108024590 Manila MANILA BULLETIN in English 31 Aug 90 pp 1, 48

[By Rey G. Panaligan]

[Text] Justice Secretary Franklin M. Drilon said yesterday the government has decided to take steps toward peace talks with communist insurgents. Drilon said the move was in resonse to a call for peace made by communist rebels, particularly those in earthquake-devastated areas in Luzon and in Metro Manila.

As an initial step, Drilon said his committee will meet tomorrow with groups of Sen. Wigberto Tanada, chairman of the Senate committee on justice, and Ricardo Cardinal Vidal, representing the church and non-government organizations (NGOs), about the peace initiative.

"It is only the first step to find a solution to the country's peace and order problem," Drilon said.

Other members of Drilon's committee are Defense Secretary Fidel V. Ramos, National Security Adviser Rafael Ileto, Press Secretary Tomas Gomez III, and Cabinet Secretary Jose de Jesus. Besides Cardinal Vidal, the members of the other groups are Ed Garcia of the University of the Philippines, Bishop Federico Varela, and Ging Deles.

Drilon said the meeting will discuss procedures on how to go about the peace talks. He said "the President has given her blessings to the initiative. She has instructed me to push through with the peace initiative, in general."

Peace talks with rightist elements and military rebels "are not discounted," Drilon said. "We are exploring all avenues toward a peaceful solution to our security problems," he said.

The government and the communist-led National Democratic Front (NDF) declared a ceasefire when President Aquino assumed the presidency in 1986 and entered into peace negotiations which, however, collapsed, with both sides hurling charges of violations.

Soon after the major earthquake that hit Luzon on July 16, the New People's Army (NPA) General Command declared local ceasefires in areas devastated by the quake to enable its units to help in rescue and relief operations.

The NDF has a standing offer to the government to end the fighting provided President Aquino categorically vows to terminate the RP [Republic of the Philippines]-U.S. Military Bases Agreement when the lease on the U.S. military facilities expires in 1991.

Navy Ordered To Fire at Ships Carrying Rebels

HK2908133990 Manila Radio Veritas in Tagalog 1300 GMT 29 Aug 90

[Text] The Philippine Navy was ordered to destroy or paralyze any private sea vessels suspected of carrying rebel soldiers from Mindanao. According to Navy spokesman Commodore Reuben Lista, the 5th Naval District in Cebu issued the order to its war ships in order to prevent rebel forces from Mindanao entering Manila. The order was to open fire only at the propeller of the vessels. The vessel should only be sunk if it fights back. The Philippine Navy revealed that the rebel forces who had occupied the Mactan Air Base used sea vessels.

Army Chief Flores Urges Noble's Surrender

HK2708071390 Manila MANILA BULLETIN in English 27 Aug 90 p 8

[Text] The military will keep the door open for negotiation on the surrender of renegade soldier Alexander Noble, the military said yesterday. Maj. Gen. Guillermo Flores, commanding general of the Philippine Army, said he prefers that "Noble just comes down from his hideout and surrenders to spare the lives of civilians who might be caught in the crossfire."

He said there had been offers before from the military and local officials to convince Noble to surrender, but the rebel officer ignored them. "We know where Noble is, but we have to keep slow the military operations against him to give time for the evacuation of residents affected by the offensive," the Army chief said. He said Noble is trying to use residents as human shields, keeping soldiers away from his mountain lair. "The operations in the province began when Noble and his men seized a radio monitoring station last month in Salub," he said. He said military forces have sealed off all escape points of Noble, hinting that his arrest is just a matter of time.

He said former brigadier general Jose Ma. Zumel and other dissident leaders are not with Noble's group and the rebel officer has not formed an alliance with the Moro National Liberation Front. Noble, who is with 50 discharged soldiers and 300 members of the Citizen Armed Forces Geographical Unit (CAFGU), is armed with four light machine guns, two 60-mm and one 81-mm mortars, two Ultimax guns, three Uzi machine pistols, two Galil rifles, four Thompson submachine guns, carbines, and rounds of ammunition.

Casualties in Operations Against Noble Reported

HK3108025790 Manila THE MANILA CHRONICLE in English 31 Aug 90 p 8

[By staff member Carol Arguillas]

[Text] Agusan del Sur—The casualties in the military operations against renegade army Col Alexander Noble have risen to two soldiers killed and 13 others wounded while the number of evacuees has reached an estimated 10,000 yesterday, authorities here said.

Noble's forces suffered an "undetermined number of casualties," Task Force Kalinaw spokesman Lt Col Rogelio Navarro said in a press conference at the governor's office yesterday.

Navarro said the latest casualty was Marine Pfc Ramir Lagrama, who was killed Wednesday afternoon when Noble's forces using 81 mm mortar and snipers, "harassed" the temporary base of government's forces in Sitio Tacao complex, Barangay Salug, Esperanza. The firefight lasted for 15 minutes, Navarro said.

At about 9 a.m. yesterday, another government outpost in the same area was attacked with sniper fire, wounding Marine Cpl Matusalem Rosete.

Navarro also challenged claims that 15-60 government troopers had been killed and hurriedly buried in the areas where they had fallen. "I dare you to prove your claim. I dare you to go to the area and excavate your alleged dead," Navarro said.

Governor Seferino Paredes said the provincial government and the Department of Social Welfare and Development [DSWD] in the province have sent an estimated P [peso] 300,000 since July 16, the first day residents started evacuating. Paredes said they expect to spend around P2 million to sustain the evacuees for two months.

As of Aug 26, the DSWD here recorded 8,928 evacuees. A hundred more arrived at Barangay Esperanza Centro from Salug Wednesday while evacuees who fled to Butuan City now number 1,047. Evacuees have been demanding a stop to the operation, but Navarro said it will only stop once Noble is captured.

"Samtang Nasugdan na, tapuson na," (We will finish it because they've started it.) Navarro said.

Official Criticizes Aquino's Wage Rise Stance

HK2708072590 Manila BUSINESS WORLD in English 27 Aug 90 p 3

[By Arnold E. Belleza]

[Text] The Trade Union Congress of the Philippines (TUCP) has said President Aquino's recent pronouncements ruling out another round of salary increases is detrimental to organized labor's petition for wage increases before the recently convened regional tripartite wage and productivity boards (RTWPBs). The President's statements were made in view of the impending oil price increase resulting from the crisis in the Middle East.

In an interview with BUSINESS WORLD, TUCP information director Homer Punsalan called the President's statements as contrary to the purpose of Republic Act (RA) 6727, which is to "de-politicize the wage fixing process in our country." Mr Punsalan added, "With RA 6727, the Government cannot interfere with wage fixing in the country."

As it is, the TUCP's P30 wage hike petition (made way back in May) has already been bogged down by the Department of Budget and Management's [DBM] inability to release the complete budget for the RTWPBs. Although RTWPBs have already started conducting hearings on the TUCP's petition, Mr Punsalan doubted the boards' capability to finish its task as "only P50,000 of the supposedly P1 million budget for each wage board has been released by the DBM." "We will now have to play it by ear, said Mr. Punsalan, when asked about the TUCP's plans in view of the development. "If these hearings lead to nowhere, the TUCP will have to see (what we can do)."

In another interview, TUCP president Democrito Mendoza viewed things in a harsher light, quoting Philippine Chamber of Commerce and Industry (PCCI) president Aurelio Periquet, Jr. as saying in a recent meeting, "we (employers) can accept price increases of fuel but we can never agree to wage increases." "We (the TUCP) see this as meaning all amicable means of settlement have failed," Mr. Mendoza said, bringing up the spectre of nationwide mass actions by the labor front once oil prices, and subsequently basic commodity prices, rise.

Last week, the TUCP had already issued a statement saying organized labor will lead to mass actions calling for wage increases as "this will be the only recourse left for workers to cushion the added burden of increased oil prices." He therefore urged Government to give in to demands by labor to restructure the oil taxing scheme, reiterating their stand that government shift from ad valorem tax to specific taxes on oil.

The ad valorem scheme, which pegs government taxes at a higher or lower rate depending on the shifts in the world price per barrel, is now disadvantageous to the people in view of rising price of oil worldwide. With specific taxes pegging government revenues at a fixed rate, the TUCP feels this is the only way Government can lessen the economic burden on the people. What it all boils down to, said Mr Mendoza, is that "Hindi na kami mapipigilan ng gobyerno (Government cannot but act on our demands)."

Decline in Agriculture Reported in First Semester

HK3108025590 Manila BUSINESS WORLD in English 31 Aug 90 pp 1, 6

[By senior reporter Armin A. Amio]

[Tet] Drought and decreased demand have taken their toll on the agriculture sector, accounting for a minus 4.9% growth in the first semester of the current year. In a report to President Aquino, Agriculture Secretary Senen C. Bacani placed gross value of production in real terms at P [peso]79.8 billion, a decrement of 4.9% compared to a positive 4.9% in the same period last year.

Last June, the Bureau of Agricultural Statistics earlier placed gross value of agricultural output at P92 billion at constant 1985 prices, representing a decline of 3.6% compared to the 1989 level. (See table) In nominal terms, the sector grossed P132 billion, up by 9.9% from last year's record.

The dismal performance of the crops subsector, posting a decline of 12% (from P5.6 billion to P4.9 billion), pulled down the sector's overall showing, despite positive growths in the livestock, poultry and aquaculture subsectors. Value of crop production usually accounts for close to two-thirds of the total value of agriculture production.

The dry spell which started during the last quarter of 1989, and ended only last April, severely affected the crops subsector. Palay and corn producers suffered value of output decrements of 12% and 9.4%, respectively. Other crops, meanwhile, posted a decrease of 12.38%.

Other than the drought, factors such as fatigue, in the case of coffee, and weakening demand contributed to the slackened performance in the crops subsector. Sugarcane, banana, pineapple, manago and fiber crops all suffered negative growths. Only coconut and pineapple showed increased value of production at 1.03% and 2.1%, respectively.

Despite heavy slaughtering reported during the period, livestock production managed to exhibit a sustained 11.5% growth (from P10.5 billion to P11.8 billion), perhaps due to increased importation of breeder cattle from Australia which started last year.

The steady decline in cattle and carabao population in recent years has forced Government to raise its monthly cattle importation from Australia to 4,500 head per month from a previous import quota of 3,000 head per month.

The chicken industry, meanwhile, boosted the performance of the poultry subsector by posting an expansion of 13.4% (from P5.9 billion to P6.7 billion) in value of production.

Poultry integrators have reported that increased consumer consumption of cheaper chicken meat has resulted in a boom in brioler investments and production during the reference period.

Growing demand for aquaculture products like seaweeds boosted the fishery subsector's performance, which enjoyed a 5.3% gain with its gross value output of P21.3 billion.

Aquaculture was still the major source of growth with an 8.7% real increase in gross output.

This is the first, time since 1986 that the sector exhibited a decline in production. In 1989, it posted its highest percentage growth ever at 4%. The agriculture sector generally accounts for at least one-fourth of the country's Gross National Product.

For the first quarter of 1990, agriculture accounted for 27% of GNP.

High hopes are placed on ongoing programs implemented by the Department of Agriculture, particularly its P8.8-billion Rice Action Program and the P1.2-billion Corn Action Program, which are expected to incrase yields in the fourth quarter of the year.

**Value of Production in Agriculture,
January to June 1989-1990 (in million pesos)**

	At current prices		% change	At Constant 1985 prices		% change
	1990	1989		1990	1989	
Palay	16,788	15,191	10.51	11,773	13,371	(11.95)
Corn	5,271	4,637	13.67	3,393	3,743	(9.35)
Other crops	50,110	51,251	(2.23)	33,839	38,620	(12.38)
Livestock	20,004	14,205	40.82	11,810	10,585	11.57
Poultry	12,517	9,830	27.33	9,884	8,909	10.94
Fishery	27,301	24,946	9.44	21,260	20,197	5.26
Total	131,991	120,061	9.94	91,959	95,427	(3.63) Source: Bureau of Agricultural Statistics

Thailand

Further on Air Base, Workers in Gulf, Oil

Officer Says Base for Refuelling

*BK3108014590 Bangkok THE NATION in English
31 Aug 90 p A4*

[Text] The U-Taphao military air base has recently been used for refuelling by aircraft from Thailand's allied countries but never as a military staging area, a senior army officer said yesterday.

Foreign planes have been allowed to stop over at the base for refuelling after informing Thai authorities in advance, said Supreme Command Spokesman Lt Gen [Lieutenant General] Narudon Detpradiyut. The air base was used not only by aircraft from the United States but also from other allied countries, he said.

Narudon's remark came in response to a news report that U-Taphao air base, located in Chon Buri province, was being secretly used by US forces as a staging area for the US military buildup in the Gulf. REUTERS on Tuesday quoted an unnamed Pentagon official as saying that the air base, which was used by the United States during the Vietnam War, was being used not just as a transit point but as a staging area too.

Prime Minister Chatchai Chunhawan has denied the report saying he had not received any requests for its use from the United States.

A State Department spokesman said in Washington on Tuesday that US aircraft routinely transit Thai facilities at U-Taphao but the US government has not asked Thailand to use the air base as a staging area for its forces.

Narudon yesterday said Thailand so far has not been asked to participate in the military buildup in the Gulf by Western and Arab countries. It is the government, not the military, that would determine the country's military role in the Gulf if it received a request from allies, he said.

Narudon added that Iraq's invasion of Kuwait on Aug 2 has taught the Thai military that a wealthy nation without a strong defence can be invaded by a stronger neighbouring country.

Paper Objects to 'Unlawful' Use

BK3008144190 Bangkok THAI RAT in Thai 30 Aug 90 p 3

[Editorial: "The Staging Area at U Taphao"]

[Text] Although it has not yet been officially confirmed, the reports from Washington show that the United States wants to use Thailand's U Taphao military base as a staging area for its combat forces dispatched to the Middle East. Thailand should take this opportunity to show its support for the UN resolution on the economic embargo on Iraq, but the United States must never use our military bases unlawfully.

Judging from the current situation in the Middle East, if neither side frantically starts shooting, the precarious condition for war, which would lead to a catastrophe for mankind, should relax. Although Saddam Husayn of Iraq may be inflexible and literally thirsty of war, he must realize that if he starts war, he will have nothing left in the end. The longer he refuses to withdraw Iraqi troops from Kuwait, the more serious hardships Iraq will suffer due to the ongoing economic embargoes by various countries in line with the UN resolution.

Reacting strongly against what Iraq has done, the UN Security Council recently adopted a resolution urging all its member countries to implement a policy of economic embargo on Iraq, closing all routes connecting Iraq. The resolution allows all warships of the countries jointly trying to maintain justice in the world to sink any ship that disobeys the order to close the Gulf. Historically, the United Nations has never before adopted such a resolution. So far, five Arab countries have welcomed the presence of foreign troops, thus enabling them to be ready to confront Iraq.

To pressure Iraq to withdraw from Kuwait empty-handed, the United States, which takes a major role in coordinating with other countries to maintain justice in the world, must transfer its troops to stay face to face with Iraq. This time, the United States will move the troops from Guam and the Hawaiian Islands. It therefore needs to have its staging areas, which inevitably would be the military bases in Okinawa and U Taphao. Thailand, therefore, should cooperate with the international community by fully facilitating the use of its military base.

We have done much more than this in joining hands with the legitimate side, such as sending our troops to fight in World War I, in Korea corresponding with a UN resolution, and in the war in Indochina. This time, as it would only have to allow the use of its military base as a staging area where no American soldiers will be stationed, Thailand should therefore give its permission right away. If not, Singapore, who foresees it would benefit in the long run, may invite the United States to conveniently use the island as its staging area.

Just a reminder, Thailand is an independent and sovereign nation. If the United States wants to use our military base, the U.S. Government should inform us officially. The United States must never again use an unlawful method like the case of the US container ship Mayaguez in 1975.

Subin on Evacuation, Iraqi Threat

BK3108065190 Bangkok Domestic Service in Thai 0530 GMT 31 Aug 90

[Text] Reporting on assistance to Thai workers in Kuwait and Iraq, Foreign Minister Subin Pinkhayan said more food has been sent to Thai workers in Amman, Jordan, and to those near the Iraqi border. Only about 50 Thai workers now remain in Kuwait. About 1,000 workers who left Kuwait still remain in Saudi Arabia. They will be returning to Thailand. About 1,000 Thai workers remain in Amman, while 2,000 are still at the Iraqi-Jordanian border area. Efforts are being made to send Thai Airways International planes and other commercial airlines to bring more workers home.

Referring to a report that Iraq intends to retaliate against Thailand if Thailand permits the United States to use its military bases, the foreign minister says that there is no truth that the United States is using Thai bases. There is a misunderstanding on the matter. Some U.S. aircraft may have asked to make refueling stops during the joint military exercise. The Foreign Ministry has already clarified the matter for correct understanding.

Suwit Discusses Workers

BK3108152290 Bangkok Voice of Free Asia in Thai 1030 GMT 31 Aug 90

[Text] Suwit Yotmani, spokesman attached to the Prime Minister's Office, reported that the task force committee for evacuation of Thai workers from Kuwait held a meeting yesterday. It was presided over by Secretary General to the Prime Minister General Wanchai Chitchamnong and attended by officials from concerned agencies. The meeting planned the evacuation of workers from the Middle East on 12 flights of Thai Airways International from 31 August to 7 September.

The spokesman said that since the beginning of the evacuation on 14 August until 30 August, a total of 3,224 Thai workers have returned from Kuwait on 21 flights. They are 2,962 men, 257 women, and five children. The spokesman said that there are about 900 Thai workers stranded in the holding centers in Amman, Jordan—600 at one center and 300 at another center. In addition, there are about 1,500 Thai workers waiting along the Jordanian-Iraqi border. Of the number, 1,100 have already crossed into Jordan while 400 others are waiting on the border. He said that a group of 149 workers arrived from Jordan at noon yesterday, thus bringing down the number of workers stranded in Jordan.

Suwit said that 900 Thai workers at the holding centers in Amman will be evacuated within two days. According to the latest survey, there are about 35 Thai workers still in Kuwait. They do not want to return now.

Oil Price Increases Predicted

BK3108032590 Bangkok BANGKOK POST in English 30 Aug 90 p 1

[Text] Domestic retail oil prices will increase when the Oil Fund is down to 300 million baht, tentatively expected at the end of September, Prime Minister's Office Minister Kon Thapparangsi said yesterday. The minister, who is in charge of oil matters, said that until Tuesday the Oil Fund stood at 2,500 million baht, but this is being reduced at the rate of about 400 million baht a week with the crude oil price fluctuating between US$27 and $28 a barrel.

The fund might be used up faster if the crude oil price goes above US$27 per barrel and, as a consequence, the retail price rise will be effective sooner, he said. On the other hand, if the crude oil price falls to between US$23 and $24 per barrel, the fund will be depleted at a slower rate.

Although the new oil pricing formula, which allows retail oil prices to float according to the fluctuation in crude oil prices, came into force on August 7, the retail price has not risen. He could not give a definite date as to when the price would change, but said it would stay at its present level for the next one or two weeks.

The minister said that since Thais had gone through periods when the crude oil price skyrocketed to US$34 per barrel, or nosedived to only US$13 per barrel, he preferred the domestic retail price to be dictated by market trends.

Editorial Chides Yeutter Tobacco Sales Remarks

BK3008023190 Bangkok BANGKOK POST in English 30 Aug 90 p 4

[Editorial: "An Open Admission of Greed and Hypocrisy"]

[Text] If a senior cabinet minister or prominent local businessman publicly heaped praise on the Thailand Tobacco Monopoly for greatly increasing cigarette sales among our citizens he would rapidly be taken to task for suffering a major attack of "foot in mouth" disease. His only consolation during the ensuing ridicule would be that the "foot" in question would represent far less of a health hazard than any number of cigarettes.

So what then are we to make of the astounding statement by US Agriculture Secretary Clayton Yeutter who recently congratulated the American tobacco industry on achieving what he termed a "marvellous success" by increasing its cigarette exports in the first five months of this year by 31 percent over the same period last year? Adding to his exuberance was a possibility that sales could top five thousand million dollars this year, double the figure of a decade ago. At a time when the United States is imposing stringent legal and other persuasive measures to curtail smoking by its own citizens in their own country to protect their health and authorities there cite as a major accomplishment the cutting of cigarette sales by 19 percent over eight years, it ranks as gross hypocrisy for a senior member of the Bush administration to lavish praise on increased exports to tobacco and tobacco-related diseases to countries in the developing world. Had these increased sales been within the United States the outcry would have been deafening.

As one of the target countries Mr Yeutter is referring to in the full-throttle export drive, we know full well the high-pressure tactics employed by American cigarette manufacturers, the political tobacco lobby and the US Trade Representative's office—the dubious achievements of which have given Mr Yeutter such cause for rejoicing.

While he was US trade ambassador in the late 1980s, Mr Yeutter worked hard to open markets to US cigarettes. His moves then helped make Japan and Taiwan steady US customers, with US brands making up 14 percent of the Japanese cigarette market and 10 percent of sales in Taiwan. This was largely achieved through the use of the "velvet glove" approach backed by the threat of an "iron fist" in the form of punitive trade sanctions.

It would be appropriate to remind Mr Yeutter that stepped-up sales of cigarettes to developing countries have other ramifications apart from soaring profits. The World Health Organisation in May blamed up to three million premature deaths each year on tobacco use and noted that in countries where smoking is an established custom, tobacco accounts for 30 percent of all cancers and 90 percent of lung cancer diseases. A total of about half a billion of the world population alive today are expected to be killed by tobacco. Global smoking rates rose seven per cent between 1970 and 1985 and this has helped generate strong opposition among the American political and health-conscious establishment to the aggressive ex-techniques of the US tobacco giants, apparently backed by US government policy.

Thailand has been described as one of the major battlefronts in the bid to hold back further conquests by the US tobacco industry which has already seen two Asian dominoes topple. Negotiations with the US Trade Representative have been protracted, difficult and unpleasant and it is true to say that there have been over-simplifications and exaggerations on both sides. The issue of forcing open and flooding our domestic market with this unwanted import now rests with GATT and which is expected to reach a decision by November. As always, the US Trade Representative and the threat of Section 301 of the 1988 Trade Act will be waiting in the wings. Just as we were one of the first countries in the world to ban smoking on city buses and in cinemas, we will continue our efforts to ensure that we are among the last to give Mr Yeutter the satisfaction of being able to make another proud boast that the US tobacco giants have reaped fresh rewards at our expense.

One American Congressional representative, supportive of our position, is famous for taking a portable fan into committee meetings which he uses to blow smoke back into the face of anyone who ventures to light a cigarette alongside him. Should he have occasion to meet the US Agriculture Secretary he could usefully adjust the direction of his fan to reverse the flow of hot air emanating from this pawn of the "profit at any cost" tobacco industry.

Coverage of New Cabinet Appointments Continues

Chatchai Grants Interview

BK3108141890 Bangkok Domestic Service in Thai 1200 GMT 31 Aug 90

[Text] Prime Minister General Chatchai Chunhawan granted an interview to newsmen at Government House after attending the Cabinet meeting today. He told newsmen that the atmosphere at today's meeting was good and the newly appointed ministers were all present. He briefed the Cabinet ministers on policies, and delegated responsibilities to the five deputy prime ministers. Deputy Prime Minister General Athit Kamlang-ek has been assigned to be in charge of the Counter Corruption Commission. Prime Minister Chatchai said that the newly appointed ministers impressed him, and therefore he believed his Cabinet will pull through its two more years in office.

Asked about the news that General Chawalit Yongchaiyut has resigned as senator in order to form a political party, the prime minister said he was still not aware of it and welcomed the news as a good sign. He welcomed Gen. Chawalit into politics and said he supports the latter's move. Asked whether he would run in the next election, Prime Minister Chatchai said that he is too old.

Meanwhile, Police Second Lieutenant Wan Chansu, president of the Parliament and also president of the Senate, granted an interview to newsmen at the Parliament Building this afternoon. He said he had already received the letter of Gen. Chawalit Yongchaiyut asking to resign as member of the Senate. He said that Gen. Chawalit did not give reasons for resigning. The resignation takes effect from today. The president of the Parliament said that he will inform the prime minister as the next step.

As for the news that several other senators might also resign, the president of the Parliament said it depends on the decision of each person. He noted that this Senate has been given great honor by the government because its members, Police General Wasit Detkunchon and Wiraphong Ramangkun, have been appointed Cabinet ministers in the recent reshuffle. The president of the Parliament noted that this is the practice of several democratic countries, such as England, where cabinet ministers often come from either the Senate or the House of Representatives. He called upon senators to give full support and cooperation to the ministers who used to be in the Senate as well as to the entire government for the sake of smooth and effective administration. He also called upon senators who think of resigning to take this fact into their consideration.

Chaloem Reacts

BK3108025790 Bangkok THE NATION in English 30 Aug 90 p A4

[Text] PM's [Prime Minister's] Office Minister Chaloem Yubamrung expressed confidence yesterday that Prime Minister Chatchai Chunhawan, whose coalition's second composition was announced on Monday, will survive the remaining two-year term.

Chaloem, Muanchon Party leader, was also certain that Chatchai would be re-elected in a general election to be held after the government completed its remaining two-year term. He said it was likely that the premier's Chat Thai party would again capture the majority of seats in the House of Representatives, sending him to head the government for another four years. But, he said, the second term would be the last for Chatchai. The minister did not present reasons to back his belief that ran contradictory to reports of widespread disgruntlement in Chat Thai following the reshuffle.

Deputy Interior Minister Sano Thianthong, a Chat Thai deputy leader, said on Tuesday that the Chat Thai rank and file was dissatisfied that the scandal-plagued Social Action Party [SAP] was still in the coalition after the reshuffle.

Another Chat Thai MP [member of parliament], Soemsak Karun warned on Tuesday that some disgruntled MPs might vote against the budget bill for 1991 fiscal year during its second and final readings. The debates have been scheduled for an extraordinary session to be held on Sep 5-7. If the bill is not passed, the House of Representatives is traditionally dissolved.

Many Chat Thai MPs, including Sano, also expressed anger that Chatchai included three non-MPs whom they labelled as "outsiders"—Finance Minister Wiraphong Ramagkun, Commerce Minister Amaret Sila-on and Deputy Interior Minister Wasit Detkunchon. Chaloem yesterday argued that the three new ministers should not be called "outsiders" because they were nominated by political parties under their quotas for Cabinet seats. Wiraphong was nominated by Chatchai under the Chat Thai quota and Amaret and Wasit by acting SAP leader M.R. Kukhrit Pramot on the SAP allotment.

Chaloem also criticized the Phalang Tham Party for its reported rift over a decision as to whether they would join the government. He said the government had not formally invited the 14-MPs to join the government, yet internal dissension had already affected the party.

Chaloem also claimed that there was a group of people whom he labelled as an "old power group" moving to topple the government and undermine democracy. Chaloem would not identify the group, saying only it was forming a political party for people who had lost power.

Some retired military officers are reportedly trying to set up a political party for former army chief and supreme commander Gen Chawalit Yongchaiyut. Chaloem raised veiled corruption charges against Chawalit in June, leading to his resignation as deputy premier and defence minister.

Banhan Hosts Lunch for MP's

BK3108061190 Bangkok BANGKOK POST in English 31 Aug 90 p 1

[Text] In what was seen as a bid to preempt possible flare-up of discontent among dissident MPs [members of parliament] at a party caucus today, Chat Thai Party secretary-general Banhan Sinlapa-acha yesterday threw a luncheon party for some 70 MPs in the auditorium of the Ministry of Interior. Prime Minister Chatchai Chunhawan was absent because he was engaged in other business.

Emerging from the two-and-a-half hour luncheon-cum-meeting, Mr Banhan repeatedly told reporters that there was no problem within the Chat Thai Party. "I say there is no problem... then there will be no problem. Everything is all right. You have to listen to me. There is no problem in the Chat Thai Party," he told reporters. "If you don't believe me, go and ask Khun Soemsak (Karun—Rayong MP)," said the minister who then made a gesture to the MP to confirm his statement with the Press.

Soemsak on Wednesday told reporters at the Parliament that he expected problems with the Budget Bill during its second and final readings next month. Facing the Press with Banhan standing next to him, Soemsak confirmed that there was no problem within the Chat Thai Party.

Mr Banhan explained that the meeting was held in closed-door among the Chat Thai MPs because he didn't want the Press to hear what they discussed and reported inaccurately in their papers.

Deputy Interior Minister Sano Thianthong who on Tuesday criticised the inclusion of the Social Action Party [SAP] in the new Cabinet lineup also reiterated Mr Banhan's statement that there was no problem in the party. "We talked about party problems: each individual MP has his opinion. But when we talked it over, we finally came to an understanding," said Mr Sano, adding that none of the MPs had ever threatened not to vote for the Budget Bill.

Maintaining that his criticism against the SAP was merely a personal view as a Thai citizen, he said that he would not raise his discontent against the SAP with the Chat Thai Party again. "There is nothing to be worried about. Whatever will happen will happen," he said, adding "whether I am happy or not is a matter in my heart."

Another disgruntled MP, Niphon Wisityutthasat of Ang Thong, who earlier complained about the inclusion of non-partisan technocrats in the new Cabinet, maintained that his complaint was merely a personal view. He said that he had no grudges against newly-appointed Deputy Interior Minister Pol Gen [Police General] Wasit Detkunchon and would prefer to give the latter a chance to prove himself. He also pledged to cast his vote for the Budget Bill, pointing out that money would be needed for the implementation of various projects.

Chiang Rai MP Songtham Panyadi, meanwhile, disclosed that some MPs had queried Mr Sono why the deputy interior minister did not air his grievances in the party, but chose to vent his anger with the Press.

Party sources said Mr Banhan during the meeting yesterday explained his fellow party MPs why the Social Action Party maintained its seat in the Chatchai 2 Government. Mr Banhan reportedly told the MPs that the exclusion of SAP would bear political impact on the Government and would pose a problem to possible future cooperation between Chat Thai and SAP during the next general election.

"The problem of misunderstanding was resolved after Mr Banhan's explanation during the meeting. We accepted his view after listening to the explanation," said one senior party member. The source said party secretary-general Banhan spent much of his time explaining why SAP had not been excluded from the coalition and why some ministers accused of being corrupt had not been removed from their posts. Mr Banhan was quoted as saying that the expulsion of SAP could backlash and adversely affect the Government stability and turn into a political chaos. "How could we expect cooperation from SAP in the next elections if the party was ousted at the moment. As politicians, ones should have a far-sighted view," the minister was quoted as saying.

The minister told the MPs that he could not satisfy everyone in the reshuffle and pleaded for the MPs to try to understand him.

Military's Support Reaffirmed

BK3108030990 Bangkok BANGKOK POST in English 31 Aug 90 p 3

[Text] Armed Forces spokesman Lt-Gen [Lieutenant General] Narudon Detpradiyut yesterday reaffirmed military support for the Government and dismissed speculation that it was the "external force" Prime Minister Chatchai Chunhawan said wanted to destroy democracy. "Soldiers are part of the government system, not outsiders, and I don't think that the much-talked about 'external force' means the military," Lt-Gen Narudon said.

He said that the military would stand by the legitimate government and would uphold its duty in protecting the country. "There are people who take care of political affairs which are not our duty," he said.

Lt-Gen Narudon said that from his own assessment he did not believe that there were any attempts by any force to destroy democracy. "I don't think the persons who made the statement tried to point the finger at the military. We are part of the system and we are more disciplined than anybody else," he said.

Foreign Ministry Changes Noted

BK3108021790 Bangkok THE NATION in English 31 Aug 90 p A2

[Text] Within two days of the announcement of Subin Pinkhayan being appointed the new Foreign Minister, the office is already set to undergo drastic changes, informed sources told THE NATION yesterday. The main aim of the ministry now is to enhance the efficiency of the ministry in handling the country's foreign economic relations. Subin took over the ministry yesterday and was briefed by the permanent secretary Kasemsamoson Kasemsi.

One of the major changes that the ministry is to undergo is the removal of working groups that were handling the Cambodian problem all these years. There will also be a complete restructuring of the minister's secretariat office. The Special Committee on Cambodia (SCC), a powerful inter-agency policy consultative body formed when Vietnam invaded Cambodia in 1979, is also coming under reappraisal. There have been suggestions that its role and functions be given less importance as prospects for a peace settlement on Cambodia improve.

Lt Gen [Lieutanant General] Amphon Chutaphut, liaison officer from the Supreme Command to the Foreign Ministry, and his military staff would be instructed to report directly to the permanent secretary of the ministry, the sources said. Subin's predecessor, Sitthi Sawetsila, during his 10-year tenure at the ministry, had these liaison officers as his personal staff in the secretariat office.

At the SCC meetings, Sitthi regularly met the commanders-in-chief of the Army, the Air Force and the Navy and the chief of the National Security Council to assess the situation and formulate policy on Cambodia. The SCC used to meet on a weekly basis when fighting in Cambodia reached its peak in 1985 as Vietnamese troops crossed into Thailand in hot pursuit of Cambodian resistance fighters. However, the sources said, the SCC meetings had become less frequent lately. From being held on a monthly basis the meetings were reduced to once in two months or three.

The restructuring, which is a reflection of the changing situation in the Cambodian conflict, is aimed at removing some the SCC's functions that concentrated on security from the minister's secretariat office, freeing it to take on economic-oriented tasks.

Kasem was quoted as telling Subin that his arrival marked the restructuring of Sitthi's secretariat office which was divided into two groups to serve Sitthi and his deputy Praphat Limpaphan. The restructuring would bring in a new single-group of secretariat staff to work for both the minister and his deputy. Sitthi's secretary Montri Danphaibun will continue to work as Subin's secretary and keep in close touch with the secretariat office and report directly to his boss.

Subin told the THAI RAT Thai-language newspaper on Tuesday that his top priority at the Foreign Ministry was to explore and and expand Thailand's foreign markets, particularly in eastern Europe now undergoing sweeping economic reforms and the Middle-east. He also stressed yesterday that the foreign ministry would work in tandem with the national economic policy as set out by Prime Minister Chatchai Chunhawan.

Commerce Minister on Post

BK3108022790 Bangkok THE NATION in English 31 Aug 90 p B1

[Text] Amaret Sila-on, the newly-appointed commerce minister, said his impartiality as a non-politician would be an advantage in overseeing the ministry's policy because he need not succumb to political pressure. "Since I do not favour anybody, it will be rather difficult for others to ask for favours from me. This will make my job easier. Both the prime minister and M.R. Kukhrit Pramot have told me to do my best for the country, and should there be any problem, they will be ready to back me," Amaret said.

It was Amaret's first formal statement after he had been invited by the Chatchai 2 administration to take over the commerce portfolio in a Cabinet shake-up aimed at restoring the public's confidence in the government. Subin Pinkhayan, Amaret's predecessor, was transferred to the Foreign Ministry.

Amaret, a former senior executive of Siam Cement Co Ltd, said he will be pursuing a policy to stimulate exports, restore order in the domestic market and shore up the prices of agricultural products. Exports will be his priority since they are the main thrust of Thailand's economic growth over the past many years, resulting in better living standards for the people.

On the approach to deal with the depressed prices of agricultural products, Amaret said it would be necessary to have the cooperation of ministerial officials and other agencies concerned to work out ways to boost the prices of farm and consumer products, allowing buyers and producers to co-exist, so that traders receive fair returns. "If I can accomplish these tasks, I will be satisfied," he said.

Asked about his approach to corruption, which had tarnished the ministry recently, Amaret said wrongdoings might take place but it is necessary to look at the system, the structure or the people, which are the sources of the wrongdoings. "But, I believe that our team consisting of the deputy ministers, the permanent secretary and the director generals all share the goodwill to create benefits to society. I think people will not talk about corruption in the future because we'll talk in a straightforward manner and with sincerity."

Paper Points to Discontent

BK3008030190 Bangkok BANGKOK POST in English 30 Aug 90 p 4

[Commentary by Banyat Thatsaniyawet: "Discontent at the Core"]

[Text] Prime Minister Chatchai Chunhawan's Cabinet reshuffle this week appears to have achieved only part of its objectives and has caused additional problems of discontent among certain coalition parties. Ironically, the party wherein most unhappiness exists is the coalition's core: Chat Thai Party itself.

There appears to be general agreement that the inclusion of the three non-partisan ministers—Finance Minister Wiraphong Ramangkun, Commerce Minister Amaret Sila-on and Deputy Interior Minister Gen [General] Wasit Detkunchon—has helped to spruce up the coalition's tarnished image resulting from corruption scandals and allegations.

Political analysts note that apart from the three non-MPs [members of parliament], the inclusion of new faces within the Cabinet, coupled with the switching of ministerial posts is an attempt to put a "new jacket on an old book." In reality, the analysts said personalities whose integrity was still being strongly questioned in the eyes of the public remained firmly entrenched within the coalition. The presence of these ministers, the analysts believe, will make it difficult for Gen Chatchai to completely regain public confidence. Political sources told the BANGKOK POST that a last-minute decision to keep the Social Action Party within the coalition had caused problems in allocating ministerial portfolios, which resulted in rising tension within coalition parties, but more so within the Chat Thai. One Chat Thai source described the discontent within his party as coming from two kinds of MPs: those who entertained high hopes of gaining ministerial portfolios in the shake-up but were left out, and those who were ministers before but had been ousted. The source noted that even with some ministers who have retained their seats, some dissatisfaction has emerged.

The disgruntled MPs, the source said, were currently pondering their options and calculating what the results would be if they decided to act out their dissatisfaction in Parliament, particularly during the crucial budget debate next week. To these MPs, the source said, the most important question is whether they have a political future by expressing their dissatisfaction. Political analysts said that if former Army chief Gen Chawalit Yongchaiyut makes a clear stand about his political future, then it is possible that some MPs may decide to join him if they feel that their political future is not diminished by joining him.

Gen Chawalit is scheduled to speak to the Reporter's Association of Thailand tomorrow and is expected by some quarters to announce a decision about his political future.

Other Chat Thai sources said that party discontent appears to be directed more at party secretary-general and Interior Minister Banhan Sinlapa-acha. A number of party MPs feel that it was Banhan who played a key role in the outcome of the reshuffle, more so than that of Gen Chatchai's policy advisers at Ban Phitsanulok. The reshuffle and its effect on the Chart Thai Party, sources said, indicates an intimate knowledge of the sensitivities of individual party MPs. For instance, the appointment of Saman Phumakhanchana, former secretary to Praman Adireksan when he was Interior Minister, as deputy industry minister has apparently miffed Deputy Interior Minister Sano Thianthong. Ironically, both are Prachin Buri MPs and are Chatchai supporters. Mr Saman and Mr Sano have long competed against each other for popularity within their province. Sources said that Mr Sano apparently resents the competition posed by Mr Saman, who became a minister in this week's reshuffle.

Certain Chat Thai MPs believe that Mr Banhan played a role in last minute changes on Saturday when he returned to Bangkok urgently to meet with the prime minister. Sources said Chat Thai MPs believe that Wirawon Sitthitham, a five-term MP, was supposed to be made PM's Office Minister but Mr Bahan had allegedly inserted Prasong Buranaphong for the post instead. Another group of Chat Thai MPs apparently dissatisfied with the reshuffle are the Justice Group headed by Sa-at Piyawan.

Political sources said that originally, Gen Chatchai's policy advisers wanted the reshuffle to be announced early and the original game plan was to exclude the SAP. Sources said that a "gentleman's agreement" had already been struck between Puang Chon Chao Thai leader Gen Athit Kamlangek and Gen Chatchai. If the SAP were excluded, the three non-MPs and Gen Athit's party brought in (with three Cabinet posts) there would have been more Cabinets posts to be allocated among the remaining coalition partners. But it was finally decided that the SAP—badly bruised by corruption scandals surrounding Pinya Chuaplot and Santi Chaiwirattana—was to remain in the Cabinet, which meant that the SAP lost two ministerial seats while the Democrats and Chat Thai lost one seat each.

Sources said it is possible that the dissatisfied MPs could now become more critical of the inclusion of the three non-MPs, even though there is general acceptance among MPs that they are qualified persons in their respective fields of expertise.

The Chat Thai Party is scheduled to meet tomorrow where Prime Minister Chatchai and Mr Banhan appear certain to face some indepth questioning by party MPs over the decision-making process that went into the reshuffle. Unless Gen Chatchai can clarify doubts in the minds of the unhappy MPs, political analysts believe problems within the party could continue to fester. Mr Banhan, sources said, appears ready to tackle the problem and has apparently told MPs that they can come and see him if they are unhappy.

Analysts noted that Gen Chatchai has already started to appease pockets of discontent. The nine MPs headed by Gen Han Linanon are among those not satisfied with the reshuffle. Members of the group claim that there had been an understanding with Gen Chatchai that if a reshuffle took place then Gen Han would be appointed a PM's Office minister at the very least. And if that were not possible then one of the group would be made a deputy minister. None of the group was appointed to the Cabinet. But on Tuesday reliable sources said Gen Han would be appointed to chair Gen Chatchai's advisory board which was formerly headed by Gen Panya Singsakda.

Despite the discontent, political analysts agree that unsatisfied MPs or former ministers are unlikely to cause sufficient problems that would result in major "surprises" during the upcoming budget debate. The analysts believe that if individual MPs effect any surprises, they would not have sufficient reason to explain their behavior when they return to the people to ask for their vote.

With the political mood and developments changing day by day, analysts agree that Gen Chatchai's explanation to his party tomorrow, coupled with Gen Chawalit's speech on the same day, are crucial factors which will help determine whether the discontent within Chat Thai Party will continue to simmer and boil, or slowly cool down.

Premiers, Foreign Ministers Viewed

BK3108025590 Bangkok THE NATION in English 30 Aug 90 p A6

[Article by Kawi Chongkitthawon entitled: "Out Sitthi, in PM's Advisers?"]

[Text] With the new foreign minister, Subin Pinkhayan in charge of the Saranrom Palace now, Prime Minister Chatchai Chunhawan can be assured of a somewhat smooth implementation of his Indochina initatives granted that the international situation as it is now also encourages such an approach. Subin and the foreign ministry officials will have more say where other issues unrelated to neighbouring countries are concerned.

In more ways than one, Subin's appointment resembled what happened during the Kriangsak administration in 1977 when he retained former Foreign Minister Upadit Pachariyangkun after he successfully toppled the rightist Tanin government. At that time, Kriangsak took bold foreign policy initiatives mostly on security-related issues, especially those that involved uncertainties prevailing in Indochina and their threat toward Thailand's peace and stability. With his background in military and security affairs, Kriangsak was able to utilize the Foreign Ministry to carry out a policy of neighbourliness with Laos and Vietnam. Kriangsak ventured to Laos to sign a joint communique of 1979 which formed the basis of peaceful coexistence between Laos and Thailand. It was also under him that the friendship between Thailand and Vietnam was strengthened—highlighted by the visit of former Vietnamese Premier Pham Van Dong to Bangkok.

Since his premiership, Chatchai, like Kriangsak, has maintained a high diplomatic profile particularly on issues relating to neighbouring countries. Chatchai knew well that his foreign policy would be challenged by former Foreign Minister Sitthi Sawetsila, who steered and guided Thailand's overall policy in 1980's. In the past 24 months, the premier has always kept an eye open for an opportunity that would allow him to carry out his policy objectives.

At the back of his mind, Chatchai has been searching for an ideal relationship between a foreign minister and a prime minister—a working relationship that he believes can increase Thailand's regional influence. Chatchai did have such a moment which existed briefly during the Kukhrit administration in 1975. It was during this period that Chatchai, who served as foreign minister, together with his boss Kukhrit set bold diplomatic moves in responding to rapid changes in the region including normalization of ties with China.

Although during the Prem administration such a personal rapport existed, it was not quite the same as the Kukhrit-Chatchai relationship. Prem and Sitthi are close friends and they trust each other. Prem, as a non-elected premier, gave all authority in foreign affairs to Sitthi, who set a hardline policy to protect Thailand's security threat as he perceived it at that time.

During his eight-year tenure, Prem did not pay much attention to foreign affairs as he should have because he had a myriad of domestic problems to deal with. Tottering on a tightrope, he had to balance the interests of all coalition parties throughout his premiership which covered five different governments. It was briefly toward the end of his career that Prem showed a higher diplomatic profile, especially on the Cambodian and refugee policies. He met with world leaders, such as British Prime Minister Margaret Thatcher, former US President Ronald Reagan, among others to highlight Thailand's plight. But Prem's diplomatic role was too late and too little to have any affect on overall foreign policy.

With Subin in the Foreign Ministry, Thailand will accelerate its pace in key policy issues such as the Cambodian problem, cooperation with the Indochinese countries and committing itself more with major powers especially Japan. Subin is likely to urge the foreign ministry officials to implement the premier's Indochina initiatives, which will further reinforce Chatchai's character as a non-conformist in the coventional sphere of international relations. Subin, who has limited international exposure, will seek advice from foreign ministry officials in dealing with non-Indochina related issues. In other words, he will be also be responsible for economic policy matters.

However, that does not mean the PM's [prime minister's] advisers, who were the main source of tension with the ministry in the past two years, will supercede the Foreign Ministry in the realm of policy formulation and implementation—even on the Cambodian issue. Certainly, the ministry under Subin will have better working relations with the PM's advisers, who failed to gain due recognition from the ministry. This in turn would mean that the ministry will be more prepared to heed the PM's advisers' comments on specific issues. Also without Sitthi at the helm, foreign ministry officials would be more willing to implement policy objectives outlined by the Chatchai administration because it would not jeopardize their sense of loyalty toward the prime minister.

As the third longest serving foreign minister, Sitthi was like a cult figure among strong followers. It was not surprising at all that any attack on Thai foreign policy in the past, or any attempt to change the status quo was considered as personal attack on Sitthi's reputation. His unmatched sincerity, proven honesty and untainted integrity have effectively prevented his staff from venturing into new foreign policy horizons for fear that it might have been construed as an act of disloyalty. After all, during his ten years tenure, Sitthi has promoted in great numbers middle and top level officials, who are enjoying the fruits of his compassion. That helps to explain why Chatchai was unable to rap Sitthi's knuckles even though he was a premier.

But this time around it seems Chatchai has had enough in the past two years. The new foreign minister made it very clear when he took over his job from Sitthi, that Thailand's foreign policy is not his (Subin's) policy. It is the collective policy of the Chatchai government and from the start Subin did not want outsiders to misinterpret his ministerial role. Without doubt, under Subin key foreign ministry officials closely aligned to Chatchai would certainly use their own initiatives to carry out the government's policies.

Vietnam

Foreign Ministry Spokesman Views Cambodia Plan

BK3108105490 Hanoi International Service in English 1000 GMT 31 Aug 90

[Text] A spokesman for the Vietnamese Foreign Ministry on Friday [31 August] issued a statement appreciating efforts of the five permanent member countries of the United Nations Security Council in working out a fine document on Cambodia. The statement noted that their efforts have promoted the process of seeking an overall, just, and reasonable solution to the Cambodian issue.

The five countries' agreement on the international aspect of the Cambodian issue fundamentally conforms to the contents first unanimously reached among countries at the Paris international conference on Cambodia in August 1989.

On the internal aspect of the Cambodian issue, all Cambodian sides pointed to the need to implement a ceasefire, set up a supreme national council of Cambodia, accept an important role of the United Nations, and organize a free, democratic, and fair general election so that the Cambodian people can decide their own destiny.

The Cambodian internal affairs under the sovereignty of Cambodia will be negotiated and decided by the Cambodian sides. Vietnam respects the agreement. The Paris international conference on Cambodia comprising all Cambodian sides and other countries concerned, including the five permanent member countries of the UN Security Council, was based on the agreement of the Cambodian sides and of five member countries of the UN Security Council to decide and sign the final document for an overall agreement on the Cambodian issue.

Cambodian External Relations Officials Visit

BK2808160990 Hanoi VNA in English 1445 GMT 28 Aug 90

[Text] Hanoi VNA August 28—A delegation of the External Relations Commission of the People's Revolutionary Party of Kampuchea Central Committee led by Vice Chairman of the Commission Prach Sun paid a working visit to Vietnam from August 20-28.

While here the delegation held talks with a delegation of the Communist Party of Vietnam Central Committee. The two sides exchanged views on the consolidation and strengthening of the fraternal cooperative relations between the two commissions in the new situation.

The delegation also paid a tribute to the late President Ho Chi Minh at his mausoleum, visited his residence and office and the Ho Chi Minh Museum here. It toured various economic and cultural establishments in Hanoi and Quang Ninh Province, and called at the Vietnam-Cambodia Friendship Association.

Vo Chi Cong Confers Order on Soviet Ambassador

BK3008053590 Hanoi International Service in English 1000 GMT 29 Aug 90

[Text] President of the Vietnamese State Council Vo Chi Cong has signed a decision to confer Labor Order, First Class, on Mr. Kachin, Soviet ambassador to Vietnam, for his contribution to the consolidation and development of fraternal friendship and multisided cooperation between the two countries.

Speaking at the conferment ceremony on Wednesday, 29 August, Vice President of the State Council Nguyen Huu Tho highly valued the ambassador's activities in his four-year term in Vietnam. The vice president sincerely thanked the party, government, and people of the Soviet Union for their great support and precious assistance to the revolutionary cause of the Vietnamese people. He also expressed the Vietnamese party and people's aspiration for further development of friendship and cooperation between the two countries.

Ambassador Kachin sincerely thanked the party, state, and people of Vietnam for this noble award.

Do Muoi Receives Outgoing Soviet Ambassador

BK3008161990 Hanoi VNA in English 1447 GMT 30 Aug 90

[Text] Hanoi VNA August 30—Chairman of the Council of Ministers Do Muoi received here yesterday D.I. Kachin, Soviet ambassador to Vietnam, who paid him a farewell visit before ending his term of office in Vietnam.

Chairman Do Muoi cordially talked with the Soviet diplomat.

Officials Inaugurate Soviet-Built Glass Factory

BK3108094590 Hanoi VNA in English 0708 GMT 31 Aug 90

[Text] Hanoi VNA August 31—The 'Dap Cau' glass manufacture factory, built with complete Soviet assistance in Ha Bac Province, some 30 km north of Hanoi, was officially inaugurated yesterday.

The inaugural ceremony attended by Ngo Xuan Loc, minister of construction; Ngo Dinh Loan, chairman of the Ha Bac Province People's Committee; Boris Vasilyevich Melnik, minister counsellor of the Soviet Embassy in Hanoi; and others.

During the last 105 days of its trial operation, the factory turned out 343,000 square meters of sheet glass with thickness ranging from three to six milimeters of Soviet statutory quality standards, and with the ratio of product to raw materials varying from 55 to 60 percent. At present the factory is marketing its products through ten agents in different localities in the country. It plans to increase production to meet all demands for sheet glass of the building industry and also to export its products.

Soviet, Vietnamese Book Exhibition Opens 30 Aug

BK3108095190 Hanoi VNA in English 0712 GMT 31 Aug 90

[Text] Hanoi VNA August 31—An exhibition on Soviet and Vietnamese books and periodicals was jointly opened here yesterday by the Vietnam State Corporation for Export and Import of Books, Periodicals and Other Cultural Commodities (UNHASABA) and the Soviet International Books Corporation in honor of the 45th anniversaries of the August Revolution and National Day (Sept. 2).

On show are more than 1,000 copies of books and periodicals published in Russian and Vietnamese by central and local publishing houses in the two countries. They cover political, economic, cultural, scientific, technological fields. Large space of the exhibition is given to the display of books on big achievements in national construction and defense of Vietnam and the Soviet Union, especially on the renovation and perestroyka of the respective countries.

Also on the occasion of these two major anniversaries, the Central Books Distribution Corporation, the Hanoi Books Distribution Company and publishing houses in Hanoi have published more than 20 books with tens of thousands of copies on Vietnam's land and people.

DPRK Friendship Association Anniversary Marked

BK3008162390 Hanoi VNA in English 1448 GMT 30 Aug 90

[Text] Hanoi VNA August 30—A get-together was held here today by the Vietnam-Democratic People's Republic of Korea (DPRK) Friendship Association and the Vietnam Committee in support of the D.P.R.K marking the 25th founding anniversary of the DPRK-Vietnam Friendship Association.

DPRK Charge d'Affaires A.I. Kim Yong-phil was present at the function.

Speaking on the occasion the President of the Vietnam Committee in Support of the D.P.R.K. Mai Huu Khue, and Kim Yong-Phil expressed wishes for the further development of friendship and cooperation between the two countries.

Nguyen Van Linh Addresses Veteran Cadres

BK3008153390 Hanoi Domestic Service in Vietnamese 1100 GMT 30 Aug 90

[Text] Amid the festive atmosphere of the 45th anniversary of the August Revolution and the 2 September National Day, yesterday, 29 August, Comrade General Secretary Nguyen Van Linh had a cordial meeting with cadres who used to work in Haiphong before 1954 and who are now living in retirement in Hanoi.

Nearly 100 senior cadres who have made many positive contributions to the workers movement for administration protection and economic building were on hand. Among those present were Comrades Hoang Quoc Viet, honorary president of the Confederation of Vietnamese Workers [CVW]; Nguyen Trung Hoa and Truong Thi Luy, former vice chairmen of the CVW; and Tran Hieu, former vice president of the Supreme People's Organ of Control.

In his capacity as an old friend of the veteran revolutionaries, the comrade general secretary cordially and solicitously inquired after the health and livelihood of the retirees. He spent much time listening to the views of the veteran cadres, all expressing their feelings and thoughts about the situation of the country and voicing the current aspirations of pensioners.

The comrade general secretary talked about the current domestic and international situation and the positive developments in socioeconomic construction since the sixth party congress. He laid particular emphasis on some basic issues recently discussed by the ninth plenum of the party Central Committee. He urged: With your tradition of stalwart revolutionaries, you should bring into play your revolutionary will in daily life; motivate your children and the masses in your localities to protect domestic production by using locally made goods; and zealously oppose corruption, authoritarianism, and the arrogant attitude of some cadres holding positions of power in dealing with the people. In conclusion, the general secretary wished the retirees good health and a long life. He also hoped that they would continue to contribute their talent and intellect to the revolution, showing the spirit of the communist party founded by Uncle Ho.

On behalf of the cadres at the meeting, Comrade Hoang Quoc Viet thanked the general secretary, who, despite his busy schedule, still devoted some time to meeting and addressing the pensioners.

Nguyen Quyet Attends Military Region Conference

BK3108074090 Hanoi Domestic Service in Vietnamese 1400 GMT 30 Aug 90

[Text] The 3d Military Region held a conference from 27-29 August to exchange experiences in building grass-roots units at villages and subwards in six provinces and municipalities of the region. General Nguyen Quyet, secretary of the Communist Party of Vietnam [CPV] Central Committee and chief of the Vietnam People's Army General Political Department, attended and addressed the conference.

The conference spent time listening to experiences presented by representatives from villages and subwards in strengthening national defense, maintaining security, and building comprehensively firm and strong villages and subwards.

The 21 reports from villages, subwards, districts, and cities asserted the very significant task of building grass-roots units in the present situation to contribute to firmly maintaining political stability in localities, developing the socioeconomic situation, and improving the people's daily life, thereby foiling the enemy's scheme on "peaceful evolution."

Experiences presented at the conference have pointed to the necessity of carrying out key tasks at grass-roots units which include efforts to consolidate and perfect party organizations and to build a contingent of competent cadres who can serve the people, listen to them, and help promote their right to mastery.

Addressing the conference, General Quyet Quyet said while striving to increase production output and improving the people's daily life, we should make great efforts to broaden democracy, combine production with national defense, strengthen national security, and vigorously oppose negativism. Regarding the building of local Armed Forces, we should pay attention to providing political and ideological education to the militia and self-defense forces and mobilizing reserved troops. We must satisfactorily organize these forces and urge them to participate in maintaining political security and social order and safety in localities.

General Nguyen Quyet also briefed the conference on the situation and tasks of the entire party and people in the present stage. He commended the 3d Military Region for its vast experiences in building grass-roots units and exchanged views with the participants on building villages and subwards in the present situation.

State Council Communique on 30 Aug Session

BK3108123290 Hanoi Domestic Service in Vietnamese 1100 GMT 31 Aug 90

[Communique of the Council of State on its 30 August session]

[Text] On 30 August 1990 the Council of State met under the chairmanship of Chairman Vo Chi Cong.

1. The Council of State heard a representative of the Supreme People's Court present a draft law on inheritance, and a representative of the National Assembly's Judiciary Commission read an investigative report on this draft law. The Council of State examined and passed the inheritance law in order to protect the inheritance right, an important right of citizens on the basis of the fundamental principles of the civil law in keeping with the practice and the customs and tradition of our society regarding inheritance.

2. After hearing a representative of the Council of Ministers present a plan to rectify a draft law on labor contracts as recommended by the Council of State at a 6 July 1990 meeting, and after representatives of the National Assembly's Economic, Planning, and Budget Commission and Judiciary Commission gave their opinions, the Council of State examined and passed this law. The Law on Labor Contracts is an important legal basis for protecting the legitimate rights and interests of the laboring people and guaranteeing autonomy in production and business of the employers in a bid to make full use of the huge manpower potential of the country for socioeconomic development.

3. On the occasion of the 45th anniversary of the August Revolution and the 2 September National Day and other major national anniversary celebrations in the year 1990, the Council of State decided to grant amnesty to 700 well-behaved prisoners or reeducation center

inmates who have served at least one third of their sentence or their reeducation term. They must belong to the following categories:

a. Relatives of fallen combatants or criminals who were once wounded or sick soldiers.
b. People who are too old and ailing or who suffer from serious diseases.
c. Minors, women with babies less than three years old, or people with families facing extremely difficult living conditions.
d. State workers or employees, army officers, noncommissioned officers, and men in the People's Armed Forces who have unwittingly committed a crime for the first time, the consequences of which are not grave.

Paper Urges Implementation of Plenum Communique

BK3108082590 Hanoi Domestic Service in Vietnamese 2300 GMT 30 Aug 90

["Report" on 31 August NHAN DAN Editorial: "Urgent Socioeconomic Problems Should Be Immediately and Most Satisfactorily Resolved"]

[Text] After appraising the positive and negative sides and analyzing the subjective and objective causes of the current socioeconomic situation in Vietnam, the editorial says: The newly arising socioeconomic problems should be correctly and promptly resolved through various urgent, effective measures. We should concentrate efforts on supervising and guiding the investment in and production of agricultural products, actively resolving the shortage of materials for production, and promoting the sale of agricultural items. We should also create favorable conditions for providing capital and encouraging the market to accelerate production while striving to rearrange industrial production, expand markets, and protect locally made merchandise. We must improve state-run trade establishments and strengthen control over the activities of trade agencies of all economic components.

It is necessary to quickly regulate the activities of business organizations and export-import services. It is also necessary to strengthen financial and monetary management and oppose corruption at financial agencies.

These urgent tasks, raised by the party Central Committee's ninth plenum, are aimed at suppressing the spread of smuggled goods, stepping up production of and protecting locally made goods, and making rational use of the sources of foreign currency. Revamping financial and monetary management and combatting corruption are tasks of burning topicality and decisive significance that must be carried out at once and in a satisfactory manner.

Reports on Typhoon Damage, Government Response

BK3108100590 Hanoi VNA in English 0718 GMT 31 Aug 90

[Text] Hanoi VNA August 31—Tropical storm Becky hit the central coastal provinces of Nghe Tinh, Quang Binh, Quang Tri, and Thua Thien-Hue on August 29 with gusts up to 100 km per hour, according to a release of the Central Anti-Storm and Flood Committee.

Torrential rains that followed the storm caused flooding to vast low-lying areas in these localities. The rain fall recorded in Nghe Tinh and Quang Binh Provinces was 300-400 milimeters, in Quang Tri Province 250-300 milimeters and in Thanh Hoa and Thua Thien-Hue Provinces 100-300 milimeters.

According to initial reports, the flooding affected more than 12,000 hectares of rice fields in Quang Binh and Quang Tri Provinces and 7,000 hectares in Thua Thien-Hue Province. The storm pulled down 1,145 houses and unroofed more than 3,200 others in Le Ninh District alone (Quang Binh Province). It destroyed several portions of dikes, irrigation canals, highways, and communications lines.

Chairman of the Council of Ministers Do Muoi on August 30 sent a message of sympathy to the population in the storm-stricken provinces.

Council Chairman Urges Control

BK3108032590 Hanoi Domestic Service in Vietnamese 1100 GMT 30 Aug 90

[Text] The council of ministers chairman recently sent the following message to the people's committee chairmen of Nghe Tinh and Quang Binh Provinces and to the ministries of agriculture and food industry, water conservancy, communications, transport and posts, building, health, education and training, and finance:

Some areas in Nghe Tinh and Quang Binh Provinces were recently hit by a violent typhoon and heavy rain. I therefore convey the sympathies of the party Central Committee and the Council of Ministers to the compatriots, soldiers, and cadres in those areas. At the same time, I request people's committees at all levels in the two provinces and the central sectors concerned to closely monitor the damage, organize immediate relief to ease the aftermath of the natural disasters, stabilize production, and the people's lives, and establish satisfactory plans to fight and control flash floods and storms which may happen again.

Committees Implement Projects

BK3108041390 Hanoi Domestic Service in Vietnamese 1100 GMT 30 Aug 90

[Text] Reports from Quang Binh Province say that at 1400 on 29 August, typhoon no. 5 with forces 9 and 10 hit the province, bringing heavy rain and strong waves, seriously threatening the network of sea dikes of Quang Trach, Bo Trach, Quang Ninh, and Le Thuy Districts, and Dong Hoi city. In Dong Hoi city three portions of a 60-meter-long supporting dike collapsed. Traffic on National Highway No. 1A from Song Xanh to the Quan Hau ferries has been obstructed in several places. Some

13,000 hectares of earing eighth-month rice or more than 50 percent of the total rice area of the province have been seriously flooded.

Before the typhoon hit, the standing committees of the party committee and the people's committee of Quang Binh Province had deployed their typhoon 5-control projects and assigned leading cadres to districts and towns in the province to help save lives and property and to minimize the damages caused by the typhoon and flooding. In Le Thuy and Quang Ninh Districts, families were evacuated from low-lying areas to higher grounds on time.

Fishermen in the coastal villages of Quang Trach and Bo Trach Districts and Dong Hoi city had also moved all their boats and ships to shelters before the typhoon arrived. The provincial communications and transport sector have coordinated with the border defense forces to mobilize forces and facilities to move 121 mountain boulders to reinforce supporting dikes and retention walls. The provincial traffic police have organized standby shifts on both sides of Song Xanh and Quan Hau ferries to direct motor vehicles to shelters.

Voice of Vietnam Awarded Ho Chi Minh Order

BK3008151590 Hanoi Domestic Service in Vietnamese 1100 GMT 30 Aug 90

["Text" of 23 August Decision signed by Vo Chi Cong, chairman of the SRV Council of State]

[Text] The SRV Council of State, by virtue of Article 100 of the SRV Constitution and at the Council of Ministers' recommendation, hereby decides to confer the Ho Chi Minh Order on cadres, workers, and officials of the Voice of Vietnam, who have recorded exceptionally outstanding achievements in propaganda work through radio broadcasts, thereby contributing to the cause of socialist construction and national defense.

Fiji

Methodist Church Gives Support to Constitution

BK3108015090 Hong Kong AFP in English 1952 GMT 30 Aug 90

[Text] Suva, Aug 30 (AFP)—The largely indigenous Fijian Methodist church Thursday gave its support to the interim Fiji government's new constitution, described as racist by the main Indian-backed opposition party. The church's annual conference issued a statement in which it said that while the constitution was not perfect, the interim government should be given "recognition and appreciation" for producing a document that allowed elections.

Other religious leaders earlier this month called on all racial groups to take part in the elections expected to be held before the end of next year. But the Indian-dominated opposition, which has condemned the constitution as racist and undemocratic, said it would boycott the poll.

Under the constitution, indigenous Fijians have been given political dominance over other races in line with the aims of the two 1987 military coups.

Balwant Singh Rakka, an executive of the deposed national Federation-Fiji Labour Party, said Fiji's 327,000 Indians "have nothing to gain" from the new constitution. "Any goodwill and cooperation with the semi-military dictatorship will mean accepting slavery and putting the future of our people in darkness," Mr. Rakka said. Mr. Rakka was reacting to suggestions from a rival faction in the Indian community which advocates compromise with the interim Suva government.

Swani Maharaj, president of the Indian Alliance Party, had said that ethnic Indians, who comprise slightly less than half of Fiji's population, could only find security by working in cooperation with indigenous Fijians. He said that at least 20 per cent of Fiji's Indian community supported the constitution, which guarantees the political dominance of native Fijians by giving them a 10-seat majority in the house of representatives.

The Methodist conference reiterated a longstanding call to legally have the country declared a Christian state and for the retention of a Sunday ban on most forms of work and recreation instituted immediately after the second coup. The easing of some Sunday restrictions by the interim government last year, such as the opening of restaurants, sparked a series of roadblock protests by some clergy. The protests resulted in several court convictions and led to a bitter split within the church's leadership, eventually won by pro-ban supporters. The Sunday ban is seen as a racially based issue as the majority of Fijians are Methodists, while most ethnic Indians are Hindu or Moslem.

Papua New Guinea

Minister 'Sacked' for Opposing Soviet Treaty

BK3008145890 Hong Kong AFP in English 1109 GMT 30 Aug 90

[Text] Port Moresby, Aug 30 (AFP)—Papua New Guinea Prime Minister Rabbie Namaliu Thursday sacked Fisheries Minister Allen Ebu for publicly opposing the recently-signed fishing treaty with the Soviet Union. Mr. Namaliu said that Mr. Ebu's comments on the deal had breached Cabinet solidarity.

Port Moresby and Moscow in June signed a three-year fishing agreement, which was expected to earn Papua New Guinea 10 million kina (10 million U.S. dollars) in taxes and other payments.

Mr. Ebu on August 13 expressed doubts about Papua New Guinea gaining any economic benefit from the deal. He said the treaty was more motivated by politics than economics, revealing that there had been serious disagreement between Foreign Affairs Minister Michael Somare. "I as fisheries minister was against the deal. From day one, I never supported it. I don't want to create the impression that the foreign affairs minister and I are divided over the issue but I am afraid that is the case."

Mr. Ebu's criticism according to Mr. Namaliu was "totally against principle and Cabinet solidarity." Deputy Prime Minister Ted Diro said Mr. Ebu's comments had embarrassed the Soviet Union which has an embassy here.

In a minor reshuffle to fill the Cabinet vacancy, Mr. Namaliu replaced Mr. Ebu with State Minister Akoka Doi.

He also named Utula Samana, leader of the Melanesian United Front, a new coalition partner, as education minister. Education Minister Jack Genia was moved to the state minister portfolio to assist the prime minister.

The fishing deal with Moscow set out broad guidelines for joint ventures between fishing companies, training, research, marketing and technical assistance.